NORTH CENTRAL REGIONAL TRANSIT DISTRICT
BOARD MEETING AGENDA
(Revised on 10/31/11)
November 4, 2011
9:00 AM- 12:00 PM

Buffalo Thunder Resort
Pojoaque, NM

CALL TO ORDER:

1. PLEDGE OF ALLEGIANCE
2. MOMENT OF SILENCE
3. ROLL CALL
4. INTRODUCTIONS
5. APPROVAL OF AGENDA
6. APPROVAL OF MINUTES for *October 14, 2011*

ACTION ITEMS FOR APPROVAL/ DISCUSSION:

A. **Approval of Resolution 2011-09: Adoption of the Adjusted NCRTD Pay Plan for FY 2012:** *Sponsor:* Anthony Mortillaro, NCRTD Executive Director. *Attachment*

B. **Approval of Resolution 2011-10: Adoption of NCRTD Financial Policies:** *Sponsor:* Anthony Mortillaro, NCRTD Executive Director. *Attachment*

C. **Authorization for the Executive Director to Purchase and Expend Funds from the State of Good Repair Grant:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Kelly Muniz, NCRTD Finance Manager. *Attachment*

D. **Approval of Resolution 2011-11: NCRTD Vehicle Disposal:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Gus Martinez, NCRTD Fleet and Building Maintenance Manager. *Attachment*

E. **Approval of Resolution 2011-12: Adoption of the Updated NCRTD Drug and Alcohol Policy:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director, Ivan Guillen, NCRTD Regional Operations Manager, and Michelle Jacquez, NCRTD Operations Analyst. *Attachment*

F. **Approval of the NCRTD Service Policy for Non-Profit Organizations:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Ivan Guillen, NCRTD Regional Operations Manager. *Attachment*

G. **Approval of Resolution 2011-13: The NCRTD Records Retention Policy:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Annette Velarde, NCRTD Public Information Officer. *Attachment*

H. **Approval of the NCRTD Travel Policy:** *Sponsor:* Anthony Mortillaro, NCRTD Executive Director. *Attachment*

I. **Presentation and Acceptance of the FY 2010 Audit:** By Farley Vener of Hinkle and Landers, P.C., Independent Auditors for the NCRTD *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Kelly Muniz, NCRTD Financial Manager.

DISCUSSION ITEMS:

J. **Update of the Jim West Regional Transit Center:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Mitch Davenport, Project Manager for the Jim West Transit Center

K. **Final Budget for FY 2011:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Kelly Muniz, NCRTD Financial Manager. *Attachment*

L. **Status of FY 2011 Audit:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Kelly Muniz, NCRTD Financial Manager. *Attachment.*

M. **Budget & Expenditure Report for FY 2012:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and Kelly Muniz, NCRTD Financial Manager. *Attachments*
- Regional Transit GRT
- Combined P-L Format

N. **Finance/Regional Coordination & Consolidation Subcommittee Report:** *Sponsors:* Finance Subcommittee Chairman Jacob Caldwell and Anthony Mortillaro, NCRTD Executive Director. From August 19, 2011 meeting. *Attachment*

O. **Executive Report for August, September, and October 2011 and Comments from the Executive Director:** *Sponsors:* Anthony Mortillaro, NCRTD Executive Director and NCRTD Staff. *Attachment*

MATTERS FROM THE BOARD

MISCELLANEOUS

NEXT BOARD MEETING: December 2, 2011 at 9:00 am

ADJOURN

Persons with disabilities in need of accommodations, please contact the NCRTD's office at 505-438-3257 five (5) working days prior to the meeting date.

North Central Regional Transit District
Board Meeting
Friday, October 14, 2011

CALL TO ORDER:

A regular monthly meeting of the North Central Regional Transit District Board was called to order on the above date by Chair Rosemary Romero at 9:14 a.m. at the New Mexico Municipal League, 1229 Paseo de Peralta, Santa Fé, New Mexico.

1. **Pledge of Allegiance**

2. **Moment of Silence**

3. **Roll Call**

Roll call indicated the presence of a quorum as follows:

Members Present:	**Elected Members**	**Alternate Designees**
Los Alamos County	Councilor Michael Wismer [T]	Ms. Anne Laurent
Taos County	Commissioner Dan Barrone [T]	Mr. Jacob Caldwell [T]
Santa Fé County	Commissioner Robert Anaya	Commissioner Danny Mayfield
Rio Arriba County	Commissioner Barney Trujillo	Mr. Tomás Campos [T later]
Ohkay Owingeh		Ms. Kateri Keevama
Pojoaque Pueblo	Mr. Tim Vigil [T]	
San Ildefonso Pueblo	Councilman Raymond Martínez [T]	
Santa Clara Pueblo		
Tesuque Pueblo		Mr. Sammy Romero

City of Santa Fé	Councilor Rosemary Romero	Ms. Judith Amer
City of Española	Councilor Robert Seeds	
Members Absent:	**Elected Members**	**Alternate Designees**
Los Alamos County		
Taos County		
Rio Arriba County		
Pojoaque Pueblo		Councilman Cameron Martínez
San Ildefonso Pueblo		Ms. Sandra Maes
Ohkay Owingeh	1st Lt. Gov. Virgil Cata	
Santa Clara Pueblo	Sheriff John Shije	Ms. Mary Lou Quintana
Tesuque Pueblo	Governor Charles Dorame	
City of Santa Fé		
City of Española		Councilor Helen Kane-Salazar

Staff Members Present
Ms. Cynthia Halfar, Executive Assistant
Ms. Kelly Muniz, Financial Director
Mr. Tony Mortillaro, Executive Director
Mr. Peter Dwyer, Counsel for NCRTD
Ms. Annette Velarde, Marketing Manager
Mr. Ivan Guillen, Regional Coordinator
Mr. Gus Martinez, Fleet Manager
Ms. Michelle Jacquez, Operations Analyst

Others Present
Mr. Andrew Jandàček, Santa Fé County
Mr. Jon Bulthuis, Santa Fé Trails
Mr. Bob Saar, Santa Fé Southern
Mr. David Harris, NMDOT
Three reporters

4. Introductions

Those present introduced themselves.

5. Approval of Agenda

Commissioner Anaya requested an addition to the agenda to discuss the route going south to and from Edgewood. He asked if it could be closer to the front of the agenda since he would have to leave early.

Chair Romero agreed to add it at the top of the discussion items.

Chair Romero moved to approve the agenda as amended. Councilor Seeds seconded the motion and it passed by unanimous voice vote.

6. Approval of Minutes for September 2, 2011

Chair Romero moved to approve the minutes of September 2, 2011 as presented. Councilor Seeds seconded the motion which passed by unanimous voice vote except that Commissioner Anaya abstained.

7. Executive Session pursuant to NMSA 1978, § 10-15-1.H (2) for the purpose of limited personnel matters.

Commissioner Anaya moved to go into closed session pursuant to NMSA 1978, § 10-15-1.H (2) for the purpose of limited personnel matters. Commissioner Trujillo seconded the motion and it passed by unanimous roll call vote with Rio Arriba County, Taos County, Santa Fé County, Pojoaque Pueblo, San Ildefonso Pueblo, Ohkay Owingeh, Tesuque Pueblo, City of Santa Fé and City of Española voting in favor and none voting against.

The Board went into executive session at 9:17 a.m.

During the executive session, Councilor Wismer and Mr. Campos jointed the meeting by telephone.

At 12:17 the Board ended the executive session.

Councilor Wismer moved to return to open session. Chair Romero seconded the motion which passed by unanimous roll call vote with Los Alamos County, Rio Arriba County, Taos County, Santa Fé County, Pojoaque Pueblo, San Ildefonso Pueblo, Ohkay Owingeh, Tesuque Pueblo, City of Santa Fé and City of Española voting in favor and none voting against.

Chair Romero announced to the public that during the closed session no actions were taken and the only matters discussed were limited personnel matters pursuant to NMSA 1978 Section 10-15-1.H (2).

ACTION ITEMS FOR APPROVAL/DISCUSSION

A. Approval of Executive Director Contract

Public Comment

Mr. John Whitbeck read his statement to the Board and it is attached to these minutes as Exhibit A.

There were no other public comments concerning this agenda item.

Commissioner Anaya said in discussion, the Board was in agreement on several points in the contract and all members felt that Mr. Mortillaro was doing a good job. There was not an agreement on the salary and the consultant's salary.

Commissioner Anaya moved to offer the Executive Director a base salary of $96,000 and have a performance review in six months based on bench marks and if he achieved them, to receive a 5% increase in salary. Commissioner Trujillo seconded the motion.

Councilor Seeds asked for a friendly amendment to state that the Executive Director would receive all of the benefits the same as all other employees. Commissioner Anaya and Commissioner Trujillo agreed. The motion failed by roll call vote with Rio Arriba County, Santa Fé County and City of Española voting in favor and Los Alamos County, Taos County, Pojoaque Pueblo, San Ildefonso Pueblo, Ohkay Owingeh, Tesuque Pueblo and City of Santa Fé voting against.

Ms. Halfar said by weighted votes there were 7 in favor and 15 against.

Chair Romero moved to approve a salary of $100,000 [for the Executive Director] to be re-evaluated in six months, using an objective third party to develop a compensation plan, de minimus use of a car provided to Mr. Mortillaro by the NCRTD removal of the provision of 90 days' termination and that the severance package be 4 months as part of the discussions earlier regarding severance.

Commissioner Mayfield asked for clarification on the previous vote.

Chair Romero explained it was by weighted votes.

A recount by Ms. Halfar showed the first motion results by weight to be 11 in favor and 15 against.

Councilor Wismer seconded the motion.

Mr. Caldwell asked if Chair Romero had included the employee benefits in her motion.

Chair Romero amended her motion to include employee benefits the same as for all employees Councilor Wismer agreed.

Councilor Wismer clarified that this motion eliminated the $500/ month allowance for mileage but included an agency car for de minimus use.

The motion passed by majority roll call vote with Los Alamos County, Taos County, Pojoaque Pueblo, Ohkay Owingeh, Tesuque Pueblo and City of Santa Fé voting yes and Rio Arriba County, Santa Fé County and City of Española voting no. The weighted vote count was 15 in favor and 11 against.

Councilor Wismer, Councilor Seeds and Mr. Vigil excused themselves from the meeting.

Commissioner Anaya reported that the bus to and from Edgewood was over full and people were being denied so a bigger vehicle or two vehicles were needed.

Commissioner Anaya and Mr. Romero left the meeting and a quorum was lost.

Chair Romero said they would schedule a conference call next week.

B. Approval of Resolution 2011-09: Adoption of the Adjusted NCRTD Pay Plan for FY 2012

Not considered for lack of a quorum.

C. Approval of Resolution 2011-10: Adoption of the NCRTD Financial Policy

Not considered for lack of a quorum.

D. Authorization for the Executive Director to Purchase and Expend Funds from the State of Good Repair Grant

Not considered for lack of a quorum.

E. Approval of Resolution 2011-11: NCRTD Vehicle Disposal

Not considered for lack of a quorum.

F. Approval of Resolution 2011-12: Adoption of the Updated NCRTD Drug and Alcohol Policy

Not considered for lack of a quorum.

G. Approval of the NCRTD Service Policy for Non-Profit Organizations

Not considered for lack of a quorum.

H. Approval of Resolution 2011-13: The NCRTD Records Retention Policy

Not considered for lack of a quorum.

DISCUSSION ITEMS:

Discussion of Route to and from Edgewood

Not considered for lack of a quorum.

I. **Update of the Jim West Regional Transit Center**

Not considered for lack of a quorum.

J. **Final Budget for FY 2011**

Not considered for lack of a quorum.

K. **Status of FY 2010 and FY 2011 Audits**

Not considered for lack of a quorum.

L. **Budget & Expenditure Report for FY 2012**

Not considered for lack of a quorum.

M. **Finance/Regional Coordination & Consolidation Subcommittee Report**

Not considered for lack of a quorum.

N. **Executive Report for August and September 2011 and Comments from the Executive Director**

Not considered for lack of a quorum.

MATTERS FROM THE BOARD

Not considered for lack of a quorum.

MISCELLANEOUS

Not considered for lack of a quorum.

ADJOURN - Next Meeting: November 4, 2011

The meeting adjourned at 12:33 for lack of a quorum.

Approved by:

Rosemary Romero, Chair

Attest:

Michael Wismer, Secretary

Submitted by:

Carl Boaz, Stenographer

EXHIBIT A

Good Morning NCRTD Board Members. My name is John Whitbeck. My address is 5 Alcalde Loop Santa Fe NM. I am here as a private citizen and tax payer. These are my comments.

Today, the chairman of this board has asked you to consider a pay package for the current Executive Director for NCRTD. Chairman Romero has stated that the Executive Director is "doing an incredible job given what he has inherited. She states, I've seen him work the hours and do an incredible amount of cleanup." I have no doubt that this is true. I am here today to comment on why.

Only a few months ago, I and several other private citizens questioned specific NCRTD staff behavior that clearly demonstrated a lack of fiduciary responsibility. At that time, Chairman Romero publicly stated that NCRTD had to spend nearly their entire legal budget responding to these "... spurious false allegations."

Several of the private citizens who asked questioned the lack of fiduciary responsibility serve, or did serve at that time on Santa Fe's Transit Advisory Board. Chairman Romero proceeded at that time to introduce a resolution or memorandum for the City Council to vote to disband this committee.

In 2008, NCRTD campaigned on Santa Fe County for more funding from Santa Fe County taxpayers. The taxpayers passed that tax increase with the understanding that the RPA would oversight how NCRTD used our tax money. Only a few months ago, Chairman Romero, you insisted that the RPA stop that responsibility to the tax payer because the performance of NCRTD staff clearly indicated that that oversight was not necessary.

Based on these and other facts, it is my personal opinion, as a private citizen, that the chairman of this board has been instrumental in creating he mess that now must be cleaned up.

Board Action and Executive Summary

Item # A Resolution# 2011-09

For Meeting of November 4, 2011

TITLE: Approval of Resolution 2011-09: Adoption of the Revised FY 2012 NCRTD Pay Plan

PURPOSE(S) OF ACTION: To review and adopt a Revised Pay Plan for the NCRTD through Resolution 2011-09.

Name of Drafter: Anthony Mortillaro, Interim Executive Director		Department: Executive		Phone: 505-438-3257	
Department	**Signature**	**Phone**	**Department**	**Signature**	**Phone**

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The current pay plan was adopted by the Board at the August 5, 2011 meeting by resolution No. 2011-06 for FY 12. The current pay plan is a step plan that has positions assigned to grades which are related to a salary range (attached). The salary ranges have an approximate 40% spread from minimum to maximum pay. The spread in each step in each grade is approximately 3%. At this same meeting the Board authorized an increase of 1.5% for productivity increases as provided for in the Districts Personnel Policies. Since the adopted pay plan was based upon a 3% spread and the adopted productivity increase was 1.5%, the pay plan needs to be adjusted so that employees will remain on their steps and as they progress through the plan they will be able to be placed on the step that corresponds to the 1.5% increase if warranted.

Recommendation:

It is recommended that the modified Pay Plan be adopted. There is no increase in costs associated with the adoption of this modified Pay Plan.

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount

1. The adopted FY 12 Salary Plan (attached) Attachment "A"
2. The modified FY 12 Salary Plan (attached) Attachment "B"
3. Resolution 2011-09

OPTIONS / ALTERNATIVES:

The Personnel Rules and Regulations require that the Pay Plan be adopted by resolution of the Board.

NORTH CENTRAL REGIONAL TRANSIT DISTRICT
PAY PLAN FOR FISCAL YEAR 2012

Attachment "A"
Adopted August 5, 2011

Grade	Job Title		Minimum	Step 2	Step 3	Step 4	Step 5	Step 6	Mid-Point	Step 8	Step 9	Step 10	Step 11	Maximum	FLSA Status
		Annual	$23,441	$24,144	$24,868	$25,614	$26,383	$27,174	$28,129	$28,973	$29,842	$30,737	$31,659	$32,817	
7		Bi-Weekly	$901.57	$928.61	$956.47	$985.17	$1,014.72	$1,045.16	$1,081.88	$1,114.34	$1,147.77	$1,182.20	$1,217.67	$1,262.19	
		Hourly	$11.27	$11.61	$11.96	$12.31	$12.68	$13.06	$13.52	$13.93	$14.35	$14.78	$15.22	$15.78	
		Annual	$25,249	$26,007	$26,787	$27,590	$28,418	$29,271	$30,299	$31,208	$32,144	$33,108	$34,102	$35,349	
8	Driver	Bi-Weekly	$971.12	$1,000.25	$1,030.26	$1,061.17	$1,093.00	$1,125.79	$1,165.34	$1,200.30	$1,236.31	$1,273.40	$1,311.61	$1,359.57	Non-Exempt
		Hourly	$12.14	$12.50	$12.88	$13.26	$13.66	$14.07	$14.57	$15.00	$15.45	$15.92	$16.40	$16.99	
		Annual	$27,197	$28,013	$28,853	$29,719	$30,610	$31,529	$32,636	$33,616	$34,624	$35,663	$36,733	$38,076	
9	Dispatcher	Bi-Weekly	$1,046.04	$1,077.42	$1,109.74	$1,143.04	$1,177.33	$1,212.65	$1,255.25	$1,292.91	$1,331.69	$1,371.64	$1,412.79	$1,464.46	Non-Exempt
		Hourly	$13.08	$13.47	$13.87	$14.29	$14.72	$15.16	$15.69	$16.16	$16.65	$17.15	$17.66	$18.31	
		Annual	$29,295	$30,174	$31,079	$32,012	$32,972	$33,961	$35,154	$36,209	$37,295	$38,414	$39,566	$41,013	
10		Bi-Weekly	$1,126.74	$1,160.54	$1,195.36	$1,231.22	$1,268.15	$1,306.20	$1,352.09	$1,392.65	$1,434.43	$1,477.46	$1,521.79	$1,577.43	
		Hourly	$14.08	$14.51	$14.94	$15.39	$15.85	$16.33	$16.90	$17.41	$17.93	$18.47	$19.02	$19.72	
		Annual	$31,555	$32,502	$33,477	$34,481	$35,516	$36,581	$37,866	$39,002	$40,172	$41,378	$42,619	$44,177	
11		Bi-Weekly	$1,213.66	$1,250.07	$1,287.58	$1,326.20	$1,365.99	$1,406.97	$1,456.40	$1,500.09	$1,545.09	$1,591.44	$1,639.19	$1,699.13	
		Hourly	$15.17	$15.63	$16.09	$16.58	$17.07	$17.59	$18.20	$18.75	$19.31	$19.89	$20.49	$21.24	
	Route Supervisor	Annual	$33,990	$35,009	$36,060	$37,141	$38,256	$39,403	$40,788	$42,011	$43,272	$44,570	$45,907	$47,586	Non-Exempt
12	Financial Specialist	Bi-Weekly	$1,307.30	$1,346.51	$1,386.91	$1,428.52	$1,471.37	$1,515.51	$1,568.75	$1,615.82	$1,664.29	$1,714.22	$1,765.65	$1,830.21	Non-Exempt
	Operations Analyst	Hourly	$16.34	$16.83	$17.34	$17.86	$18.39	$18.94	$19.61	$20.20	$20.80	$21.43	$22.07	$22.88	Non-Exempt
		Annual	$33,990	$35,009	$36,060	$37,141	$38,256	$39,403	$40,788	$42,011	$43,272	$44,570	$45,907	$47,586	
12	Fleet Manager	Bi-Weekly	$1,307.30	$1,346.51	$1,386.91	$1,428.52	$1,471.37	$1,515.51	$1,568.75	$1,615.82	$1,664.29	$1,714.22	$1,765.65	$1,830.21	Exempt
		Hourly	$16.34	$16.83	$17.34	$17.86	$18.39	$18.94	$19.61	$20.20	$20.80	$21.43	$22.07	$22.88	
		Annual	$36,612	$37,710	$38,842	$40,007	$41,207	$42,443	$43,934	$45,252	$46,610	$48,008	$49,448	$51,257	
13	Executive Asst/HR Spec	Bi-Weekly	$1,408.15	$1,450.39	$1,493.91	$1,538.72	$1,584.89	$1,632.43	$1,689.78	$1,740.47	$1,792.69	$1,846.47	$1,901.86	$1,971.41	Non-Exempt
		Hourly	$17.60	$18.13	$18.67	$19.23	$19.81	$20.41	$21.12	$21.76	$22.41	$23.08	$23.77	$24.64	
		Annual	$39,436	$40,620	$41,838	$43,093	$44,386	$45,718	$47,324	$48,743	$50,206	$51,712	$53,263	$55,211	
14	Public Information Officer	Bi-Weekly	$1,516.79	$1,562.29	$1,609.16	$1,657.43	$1,707.16	$1,758.37	$1,820.14	$1,874.75	$1,930.99	$1,988.92	$2,048.59	$2,123.50	Exempt
		Hourly	$18.96	$19.53	$20.11	$20.72	$21.34	$21.98	$22.75	$23.43	$24.14	$24.86	$25.61	$26.54	
		Annual	$42,479	$43,753	$45,066	$46,418	$47,810	$49,245	$50,975	$52,504	$54,079	$55,701	$57,372	$59,470	
15		Bi-Weekly	$1,633.80	$1,682.82	$1,733.30	$1,785.30	$1,838.86	$1,894.02	$1,960.56	$2,019.38	$2,079.96	$2,142.36	$2,206.63	$2,287.32	
		Hourly	$20.42	$21.04	$21.67	$22.32	$22.99	$23.68	$24.51	$25.24	$26.00	$26.78	$27.58	$28.59	
		Annual	$45,756	$47,129	$48,543	$49,999	$51,499	$53,044	$54,907	$56,554	$58,251	$59,999	$61,799	$64,058	
16	Financial Analyst	Bi-Weekly	$1,759.85	$1,812.64	$1,867.02	$1,923.03	$1,980.72	$2,040.14	$2,111.81	$2,175.17	$2,240.42	$2,307.64	$2,376.87	$2,463.78	Non-Exempt
		Hourly	$22.00	$22.66	$23.34	$24.04	$24.76	$25.50	$26.40	$27.19	$28.01	$28.85	$29.71	$30.80	
		Annual	$50,143	$51,647	$53,197	$54,793	$56,437	$58,130	$60,172	$61,977	$63,836	$65,751	$67,724	$70,200	
17		Bi-Weekly	$1,928.58	$1,986.44	$2,046.03	$2,107.41	$2,170.64	$2,235.75	$2,314.30	$2,383.73	$2,455.24	$2,528.90	$2,604.76	$2,700.01	
		Hourly	$24.11	$24.83	$25.58	$26.34	$27.13	$27.95	$28.93	$29.80	$30.69	$31.61	$32.56	$33.75	
	Service Development Mgr	Annual	$54,955	$56,604	$58,302	$60,051	$61,853	$63,708	$65,946	$67,925	$89,963	$72,061	$74,223	$76,937	Exempt
18	Financial Manager	Bi-Weekly	$2,113.67	$2,177.08	$2,242.39	$2,309.66	$2,378.95	$2,450.32	$2,536.40	$2,612.49	$2,690.87	$2,771.59	$2,854.74	$2,959.13	Exempt
	Regional Operations Mgr	Hourly	$26.42	$27.21	$28.03	$28.87	$29.74	$30.63	$31.70	$32.66	$33.64	$34.64	$35.68	$36.99	Exempt
		Annual	$60,229	$62,036	$63,897	$65,814	$67,789	$69,822	$72,275	$74,443	$76,677	$78,977	$81,346	$84,321	
19		Bi-Weekly	$2,316.51	$2,386.01	$2,457.59	$2,531.32	$2,607.26	$2,685.47	$2,779.82	$2,863.21	$2,949.11	$3,037.58	$3,128.71	$3,243.12	
		Hourly	$28.96	$29.83	$30.72	$31.64	$32.59	$33.57	$34.75	$35.79	$36.86	$37.97	$39.11	$40.54	
		Annual	$66,009	$67,990	$70,029	$72,130	$74,294	$76,523	$79,211	$81,588	$84,035	$86,556	$89,153	$92,413	
20	Transit Projects Manager	Bi-Weekly	$2,538.83	$2,614.99	$2,693.44	$2,774.24	$2,857.47	$2,943.20	$3,046.59	$3,137.99	$3,232.13	$3,329.09	$3,428.97	$3,554.36	Exempt
		Hourly	$31.74	$32.69	$33.67	$34.68	$35.72	$36.79	$38.08	$39.22	$40.40	$41.61	$42.86	$44.43	
		Annual	$72,344	$74,515	$76,750	$79,053	$81,424	$83,867	$86,813	$89,418	$92,100	$94,863	$97,709	$101,282	
21		Bi-Weekly	$2,782.48	$2,865.95	$2,951.93	$3,040.49	$3,131.70	$3,225.65	$3,338.97	$3,439.14	$3,542.31	$3,648.58	$3,758.04	$3,895.47	
		Hourly	$34.78	$35.82	$36.90	$38.01	$39.15	$40.32	$41.74	$42.99	$44.28	$45.61	$46.98	$48.69	

NORTH CENTRAL REGIONAL TRANSIT DISTRICT
REVISED PAY PLAN FOR FISCAL YEAR 2012

Attachment "B"
November 4, 2011

Grade	Job Title		Minimum	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	FLSA Status
		Annual	$23,441.60	$23,795.20	$24,148.80	$24,502.40	$24,876.80	$25,251.20	$25,625.60	$26,000.00	$26,395.20	$26,790.40	$27,185.60	$27,601.60	
7		Bi-Weekly	$901.60	$915.20	$928.80	$942.40	$956.80	$971.20	$985.60	$1,000.00	$1,015.20	$1,030.40	$1,045.60	$1,061.60	
		Hourly	$11.27	$11.44	$11.61	$11.78	$11.96	$12.14	$12.32	$12.50	$12.69	$12.88	$13.07	$13.27	
		Annual	$25,251.20	$25,625.60	$26,000.00	$26,395.20	$26,790.40	$27,185.60	$27,601.60	$28,017.60	$28,433.60	$28,870.40	$29,307.20	$29,744.00	
8	Driver	Bi-Weekly	$971.20	$985.60	$1,000.00	$1,015.20	$1,030.40	$1,045.60	$1,061.60	$1,077.60	$1,093.60	$1,110.40	$1,127.20	$1,144.00	Non-Exempt
		Hourly	$12.14	$12.32	$12.50	$12.69	$12.88	$13.07	$13.27	$13.47	$13.67	$13.88	$14.09	$14.30	
		Annual	$27,206.40	$27,622.40	$28,038.40	$28,454.40	$28,891.20	$29,328.00	$29,764.80	$30,201.60	$30,659.20	$31,116.80	$31,574.40	$32,052.80	
9	Dispatcher	Bi-Weekly	$1,046.40	$1,062.40	$1,078.40	$1,094.40	$1,111.20	$1,128.00	$1,144.80	$1,161.60	$1,179.20	$1,196.80	$1,214.40	$1,232.80	Non-Exempt
		Hourly	$13.08	$13.28	$13.48	$13.68	$13.89	$14.10	$14.31	$14.52	$14.74	$14.96	$15.18	$15.41	
		Annual	$29,286.40	$29,723.20	$30,160.00	$30,617.60	$31,075.20	$31,532.80	$32,011.20	$32,489.60	$32,968.00	$33,467.20	$33,966.40	$34,465.60	
10		Bi-Weekly	$1,126.40	$1,143.20	$1,160.00	$1,177.60	$1,195.20	$1,212.80	$1,231.20	$1,249.60	$1,268.00	$1,287.20	$1,306.40	$1,325.60	
		Hourly	$14.08	$14.29	$14.50	$14.72	$14.94	$15.16	$15.39	$15.62	$15.85	$16.09	$16.33	$16.57	
		Annual	$31,553.60	$32,032.00	$32,510.40	$32,988.80	$33,488.00	$33,987.20	$34,507.20	$35,027.20	$35,547.20	$36,088.00	$36,628.80	$37,169.60	
11		Bi-Weekly	$1,213.60	$1,232.00	$1,250.40	$1,268.80	$1,288.00	$1,307.20	$1,327.20	$1,347.20	$1,367.20	$1,388.00	$1,408.80	$1,429.60	
		Hourly	$15.17	$15.40	$15.63	$15.86	$16.10	$16.34	$16.59	$16.84	$17.09	$17.35	$17.61	$17.87	
	Route Supervisor	Annual	$33,987.20	$34,507.20	$35,027.20	$35,547.20	$36,088.00	$36,628.80	$37,169.60	$37,731.20	$38,292.80	$38,875.20	$39,457.60	$40,040.00	Non-Exempt
12	Financial Specialist	Bi-Weekly	$1,307.20	$1,327.20	$1,347.20	$1,367.20	$1,388.00	$1,408.80	$1,429.60	$1,451.20	$1,472.80	$1,495.20	$1,517.60	$1,540.00	Non-Exempt
	Operations Analyst	Hourly	$16.34	$16.59	$16.84	$17.09	$17.35	$17.61	$17.87	$18.14	$18.41	$18.69	$18.97	$19.25	Non-Exempt
		Annual	$33,987.20	$34,507.20	$35,027.20	$35,547.20	$36,088.00	$36,628.80	$37,169.60	$37,731.20	$38,292.80	$38,875.20	$39,457.60	$40,040.00	
12	Fleet Manager	Bi-Weekly	$1,307.20	$1,327.20	$1,347.20	$1,367.20	$1,388.00	$1,408.80	$1,429.60	$1,451.20	$1,472.80	$1,495.20	$1,517.60	$1,540.00	Exempt
		Hourly	$16.34	$16.59	$16.84	$17.09	$17.35	$17.61	$17.87	$18.14	$18.41	$18.69	$18.97	$19.25	
		Annual	$36,608.00	$37,148.80	$37,710.40	$38,272.00	$38,854.40	$39,436.80	$40,019.20	$40,622.40	$41,225.60	$41,849.60	$42,473.60	$43,118.40	
13	Executive Asst/HR Spec	Bi-Weekly	$1,408.00	$1,428.80	$1,450.40	$1,472.00	$1,494.40	$1,516.80	$1,539.20	$1,562.40	$1,585.60	$1,609.60	$1,633.60	$1,658.40	Non-Exempt
		Hourly	$17.60	$17.86	$18.13	$18.40	$18.68	$18.96	$19.24	$19.53	$19.82	$20.12	$20.42	$20.73	
		Annual	$39,436.80	$40,019.20	$40,622.40	$41,225.60	$41,849.60	$42,473.60	$43,118.40	$43,763.20	$44,428.80	$45,094.40	$45,780.80	$46,467.20	
14	Public Information Officer	Bi-Weekly	$1,516.80	$1,539.20	$1,562.40	$1,585.60	$1,609.60	$1,633.60	$1,658.40	$1,683.20	$1,708.80	$1,734.40	$1,760.80	$1,787.20	Exempt
		Hourly	$18.96	$19.24	$19.53	$19.82	$20.12	$20.42	$20.73	$21.04	$21.36	$21.68	$22.01	$22.34	
		Annual	$42,473.60	$43,118.40	$43,763.20	$44,428.80	$45,094.40	$45,780.80	$46,467.20	$47,174.40	$47,881.60	$48,609.60	$49,337.60	$50,086.40	
15		Bi-Weekly	$1,633.60	$1,658.40	$1,683.20	$1,708.80	$1,734.40	$1,760.80	$1,787.20	$1,814.40	$1,841.60	$1,869.60	$1,897.60	$1,926.40	
		Hourly	$20.42	$20.73	$21.04	$21.36	$21.68	$22.01	$22.34	$22.68	$23.02	$23.37	$23.72	$24.08	
		Annual	$45,760.00	$46,446.40	$47,132.80	$47,840.00	$48,568.00	$49,296.00	$50,044.80	$50,793.60	$51,563.20	$52,332.80	$53,123.20	$53,913.60	
16	Financial Analyst	Bi-Weekly	$1,760.00	$1,786.40	$1,812.80	$1,840.00	$1,868.00	$1,896.00	$1,924.80	$1,953.60	$1,983.20	$2,012.80	$2,043.20	$2,073.60	Non-Exempt
		Hourly	$22.00	$22.33	$22.66	$23.00	$23.35	$23.70	$24.06	$24.42	$24.79	$25.16	$25.54	$25.92	
		Annual	$50,148.80	$50,897.60	$51,667.20	$52,436.80	$53,227.20	$54,017.60	$54,828.80	$55,660.80	$56,492.80	$57,345.60	$58,198.40	$59,072.00	
17		Bi-Weekly	$1,928.80	$1,957.60	$1,987.20	$2,016.80	$2,047.20	$2,077.60	$2,108.80	$2,140.80	$2,172.80	$2,205.60	$2,238.40	$2,272.00	
		Hourly	$24.11	$24.47	$24.84	$25.21	$25.59	$25.97	$26.36	$26.76	$27.16	$27.57	$27.98	$28.40	
	Service Development Mgr	Annual	$54,953.60	$55,785.60	$56,617.60	$57,470.40	$58,323.20	$59,196.80	$60,091.20	$60,985.60	$61,900.80	$62,836.80	$63,772.80	$64,729.60	Exempt
18	Financial Manager	Bi-Weekly	$2,113.60	$2,145.60	$2,177.60	$2,210.40	$2,243.20	$2,276.80	$2,311.20	$2,345.60	$2,380.80	$2,416.80	$2,452.80	$2,489.60	Exempt
	Regional Operations Mgr	Hourly	$26.42	$26.82	$27.22	$27.63	$28.04	$28.46	$28.89	$29.32	$29.76	$30.21	$30.66	$31.12	Exempt
		Annual	$60,236.80	$61,131.20	$62,046.40	$62,982.40	$63,918.40	$64,875.20	$65,852.80	$66,830.40	$67,828.80	$68,848.00	$69,888.00	$70,928.00	
19		Bi-Weekly	$2,316.80	$2,351.20	$2,386.40	$2,422.40	$2,458.40	$2,495.20	$2,532.80	$2,570.40	$2,608.80	$2,648.00	$2,688.00	$2,728.00	
		Hourly	$28.96	$29.39	$29.83	$30.28	$30.73	$31.19	$31.66	$32.13	$32.61	$33.10	$33.60	$34.10	
		Annual	$66,019.20	$67,017.60	$68,016.00	$69,035.20	$70,075.20	$71,136.00	$72,196.80	$73,278.40	$74,380.80	$75,504.00	$76,627.20	$77,771.20	
20	Transit Projects Manager	Bi-Weekly	$2,539.20	$2,577.60	$2,616.00	$2,655.20	$2,695.20	$2,736.00	$2,776.80	$2,818.40	$2,860.80	$2,904.00	$2,947.20	$2,991.20	Exempt
		Hourly	$31.74	$32.22	$32.70	$33.19	$33.69	$34.20	$34.71	$35.23	$35.76	$36.30	$36.84	$37.39	
		Annual	$72,342.40	$73,424.00	$74,526.40	$75,649.60	$76,793.60	$77,937.60	$79,102.40	$80,288.00	$81,494.40	$82,721.60	$83,969.60	$85,238.40	
21		Bi-Weekly	$2,782.40	$2,824.00	$2,866.40	$2,909.60	$2,953.60	$2,997.60	$3,042.40	$3,088.00	$3,134.40	$3,181.60	$3,229.60	$3,278.40	
		Hourly	$34.78	$35.30	$35.83	$36.37	$36.92	$37.47	$38.03	$38.60	$39.18	$39.77	$40.37	$40.98	

NORTH CENTRAL REGIONAL TRANSIT DISTRICT
PAY PLAN FOR FISCAL YEAR 2012

Attachment "B" page 2

Grade	Job Title		Step 13	Step 14	Step 15	Step 16	Step 17	Step 18	Step 19	Step 20	Step 21	Step 22	Step 23	Maximum	FLSA Status
		Annual	$28,017.60	$28,433.60	$28,870.40	$29,307.20	$29,744.00	$30,180.80	$30,638.40	$31,096.00	$31,553.60	$32,032.00	$32,510.40	$32,988.80	
7		Bi-Weekly	$1,077.60	$1,093.60	$1,110.40	$1,127.20	$1,144.00	$1,160.80	$1,178.40	$1,196.00	$1,213.60	$1,232.00	$1,250.40	$1,268.80	
		Hourly	$13.47	$13.67	$13.88	$14.09	$14.30	$14.51	$14.73	$14.95	$15.17	$15.40	$15.63	$15.86	
		Annual	$30,180.80	$30,638.40	$31,096.00	$31,553.60	$32,032.00	$32,510.40	$32,988.80	$33,488.00	$33,987.20	$34,507.20	$35,027.20	$35,547.20	
8	Driver	Bi-Weekly	$1,160.80	$1,178.40	$1,196.00	$1,213.60	$1,232.00	$1,250.40	$1,268.80	$1,288.00	$1,307.20	$1,327.20	$1,347.20	$1,367.20	Non-Exempt
		Hourly	$14.51	$14.73	$14.95	$15.17	$15.40	$15.63	$15.86	$16.10	$16.34	$16.59	$16.84	$17.09	
		Annual	$32,531.20	$33,009.60	$33,508.80	$34,008.00	$34,528.00	$35,048.00	$35,568.00	$36,108.80	$38,649.60	$37,190.40	$37,752.00	$38,313.60	
9	Dispatcher	Bi-Weekly	$1,251.20	$1,269.60	$1,288.80	$1,308.00	$1,328.00	$1,348.00	$1,368.00	$1,388.80	$1,409.60	$1,430.40	$1,452.00	$1,473.80	Non-Exempt
		Hourly	$15.64	$15.87	$16.11	$16.35	$16.60	$16.85	$17.10	$17.36	$17.62	$17.88	$18.15	$18.42	
		Annual	$34,985.60	$35,505.60	$36,046.40	$36,587.20	$37,128.00	$37,689.60	$38,251.20	$38,833.60	$39,416.00	$39,998.40	$40,601.60	$41,204.80	
10		Bi-Weekly	$1,345.60	$1,365.60	$1,386.40	$1,407.20	$1,428.00	$1,449.60	$1,471.20	$1,493.60	$1,516.00	$1,538.40	$1,561.60	$1,584.80	
		Hourly	$16.82	$17.07	$17.33	$17.59	$17.85	$18.12	$18.39	$18.67	$18.95	$19.23	$19.52	$19.81	
		Annual	$37,731.20	$38,292.80	$38,875.20	$39,457.60	$40,040.00	$40,643.20	$41,246.40	$41,870.40	$42,494.40	$43,139.20	$43,784.00	$44,449.60	
11		Bi-Weekly	$1,451.20	$1,472.80	$1,495.20	$1,517.60	$1,540.00	$1,563.20	$1,586.40	$1,610.40	$1,634.40	$1,659.20	$1,684.00	$1,709.60	
		Hourly	$18.14	$18.41	$18.69	$18.97	$19.25	$19.54	$19.83	$20.13	$20.43	$20.74	$21.05	$21.37	
	Route Supervisor	Annual	$40,643.20	$41,246.40	$41,870.40	$42,494.40	$43,139.20	$43,784.00	$44,449.60	$45,115.20	$45,801.60	$46,488.00	$47,195.20	$47,902.40	Non-Exempt
12	Financial Specialist	Bi-Weekly	$1,563.20	$1,586.40	$1,610.40	$1,634.40	$1,659.20	$1,684.00	$1,709.60	$1,735.20	$1,761.60	$1,788.00	$1,815.20	$1,842.40	Non-Exempt
	Operations Analyst	Hourly	$19.54	$19.83	$20.13	$20.43	$20.74	$21.05	$21.37	$21.69	$22.02	$22.35	$22.69	$23.03	Non-Exempt
		Annual	$40,643.20	$41,246.40	$41,870.40	$42,494.40	$43,139.20	$43,784.00	$44,449.60	$45,115.20	$45,801.60	$46,488.00	$47,195.20	$47,902.40	
12	Fleet Manager	Bi-Weekly	$1,563.20	$1,586.40	$1,610.40	$1,634.40	$1,659.20	$1,684.00	$1,709.60	$1,735.20	$1,761.60	$1,788.00	$1,815.20	$1,842.40	Exempt
		Hourly	$19.54	$19.83	$20.13	$20.43	$20.74	$21.05	$21.37	$21.69	$22.02	$22.35	$22.69	$23.03	
		Annual	$43,763.20	$44,428.80	$45,094.40	$45,780.80	$46,467.20	$47,174.40	$47,881.60	$48,609.60	$49,337.60	$50,086.40	$50,835.20	$51,604.80	
13	Executive Asst/HR Spec	Bi-Weekly	$1,683.20	$1,708.80	$1,734.40	$1,760.80	$1,787.20	$1,814.40	$1,841.60	$1,869.60	$1,897.60	$1,926.40	$1,955.20	$1,984.80	Non-Exempt
		Hourly	$21.04	$21.36	$21.68	$22.01	$22.34	$22.68	$23.02	$23.37	$23.72	$24.08	$24.44	$24.81	
		Annual	$47,174.40	$47,881.60	$48,609.60	$49,337.60	$50,086.40	$50,835.20	$51,604.80	$52,374.40	$53,164.80	$53,955.20	$54,766.40	$55,577.60	
14	Public Information Officer	Bi-Weekly	$1,814.40	$1,841.60	$1,869.60	$1,897.60	$1,926.40	$1,955.20	$1,984.80	$2,014.40	$2,044.80	$2,075.20	$2,106.40	$2,137.60	Exempt
		Hourly	$22.68	$23.02	$23.37	$23.72	$24.08	$24.44	$24.81	$25.18	$25.56	$25.94	$26.33	$26.72	
		Annual	$50,835.20	$51,604.80	$52,374.40	$53,164.80	$53,955.20	$54,766.40	$55,577.60	$56,409.60	$57,262.40	$58,115.20	$58,988.80	$59,883.20	
15		Bi-Weekly	$1,955.20	$1,984.80	$2,014.40	$2,044.80	$2,075.20	$2,106.40	$2,137.60	$2,169.60	$2,202.40	$2,235.20	$2,268.80	$2,303.20	
		Hourly	$24.44	$24.81	$25.18	$25.56	$25.94	$26.33	$26.72	$27.12	$27.53	$27.94	$28.36	$28.79	
		Annual	$54,724.80	$55,536.00	$56,368.00	$57,220.80	$58,073.60	$58,947.20	$59,841.60	$60,736.00	$61,651.20	$62,566.40	$63,502.40	$64,459.20	
16	Financial Analyst	Bi-Weekly	$2,104.80	$2,136.00	$2,168.00	$2,200.80	$2,233.60	$2,267.20	$2,301.60	$2,336.00	$2,371.20	$2,406.40	$2,442.40	$2,479.20	Non-Exempt
		Hourly	$26.31	$26.70	$27.10	$27.51	$27.92	$28.34	$28.77	$29.20	$29.64	$30.08	$30.53	$30.99	
		Annual	$59,966.40	$60,860.80	$61,776.00	$62,712.00	$63,648.00	$64,604.80	$65,582.40	$66,560.00	$67,558.40	$68,577.60	$69,596.80	$70,636.80	
17		Bi-Weekly	$2,306.40	$2,340.80	$2,376.00	$2,412.00	$2,448.00	$2,484.80	$2,522.40	$2,560.00	$2,598.40	$2,637.60	$2,676.80	$2,716.80	
		Hourly	$28.83	$29.26	$29.70	$30.15	$30.60	$31.06	$31.53	$32.00	$32.48	$32.97	$33.46	$33.96	
	Service Development Mgr	Annual	$65,707.20	$66,684.80	$67,683.20	$68,702.40	$69,742.40	$70,782.40	$71,843.20	$72,924.80	$74,027.20	$75,129.60	$76,252.80	$77,396.80	Exempt
18	Financial Manager	Bi-Weekly	$2,527.20	$2,564.80	$2,603.20	$2,642.40	$2,682.40	$2,722.40	$2,763.20	$2,804.80	$2,847.20	$2,889.60	$2,932.80	$2,976.80	Exempt
	Regional Operations Mgr	Hourly	$31.59	$32.06	$32.54	$33.03	$33.53	$34.03	$34.54	$35.06	$35.59	$36.12	$36.86	$37.21	Exempt
		Annual	$71,988.80	$73,070.40	$74,172.80	$75,275.20	$76,398.40	$77,542.40	$78,707.20	$79,892.80	$81,099.20	$82,305.60	$83,532.80	$84,780.80	
19		Bi-Weekly	$2,768.80	$2,810.40	$2,852.80	$2,895.20	$2,938.40	$2,982.40	$3,027.20	$3,072.80	$3,119.20	$3,165.60	$3,212.80	$3,260.80	
		Hourly	$34.61	$35.13	$35.66	$36.19	$36.73	$37.28	$37.84	$38.41	$38.99	$39.57	$40.16	$40.76	
		Annual	$78,936.00	$80,121.60	$81,328.00	$82,555.20	$83,803.20	$85,051.20	$86,320.00	$87,609.60	$88,920.00	$90,251.20	$91,603.20	$92,976.00	
20	Transit Projects Manager	Bi-Weekly	$3,036.00	$3,081.60	$3,128.00	$3,175.20	$3,223.20	$3,271.20	$3,320.00	$3,369.60	$3,420.00	$3,471.20	$3,523.20	$3,576.00	Exempt
		Hourly	$37.95	$38.52	$39.10	$39.69	$40.29	$40.89	$41.50	$42.12	$42.75	$43.39	$44.04	$44.70	
		Annual	$86,507.20	$87,796.80	$89,107.20	$90,438.40	$91,790.40	$93,163.20	$94,556.80	$95,971.20	$97,406.40	$98,862.40	$100,339.20	$101,836.80	
21		Bi-Weekly	$3,327.20	$3,376.80	$3,427.20	$3,478.40	$3,530.40	$3,583.20	$3,636.80	$3,691.20	$3,746.40	$3,802.40	$3,859.20	$3,916.80	
		Hourly	$41.59	$42.21	$42.84	$43.48	$44.13	$44.79	$45.46	$46.14	$46.83	$47.53	$48.24	$48.96	

North Central Regional Transit District (NCRTD)

Resolution 2011-09

ADOPTION OF AN AMENDED PAY PLAN FOR FY 2012
(FIRST ADOPTED AS RESOLUTION 2011-06
ON AUGUST 5TH, 2011)

WHEREAS, the NCRTD was created through legislative enactment (NMSA 1978, Sections 73-25-1 through 73-25-19); and

WHEREAS, the NCRTD is a subdivision of the State of New Mexico with all the authority and duties of the same; and

WHEREAS, the Board has the authority to make and pass resolutions necessary for the execution of the powers vested in the District; and

WHEREAS, the NCRTD Board adopted by voice vote the 2007 pay plan at its October 2007 Board meeting; and

WHEREAS, the NCRTD Personnel Policies Section 3.8 requires that the pay plan be adopted by resolution; and

WHEREAS, the NCRTD Board at its August 5, 2011 meeting approved Resolution 2011-06, adopting a pay plan for FY 2012; and

WHEREAS, the NCRTD Board has approved a "productivity increase" for FY 2012 which necessitates the modification of the pay plan to realign steps into 1.5% increments.

NOW THEREFORE BE IT RESOLVED THAT THE FY 2012 PAY PLAN IS APPROVED AND ADOPTED AS AMENDED AND ATTACHED HERETO AS EXHIBIT "A" FOR FISCAL YEAR 2012 ON THIS 4TH DAY OF NOVEMBER 2011.

_____

Rosemary Romero, Chair

Approved as to form:

_____

Peter Dwyer, Counsel

Board Action and Executive Summary

Item # B Resolution # 2011 -10

For Meeting of November 4, 2011

TITLE: Approval of Resolution 2011-10: Adoption of NCRTD Financial Policies

PURPOSE(S) OF ACTION: To seek Board consideration and approval of the amended NCRTD Financial Policies.

Name of Drafter: Anthony Mortillaro, Executive Director		Department: Executive		Phone: 505-438-3257	
Department	Signature	Phone	Department	Signature	Phone

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

Background

On July 15, 2011 the Board adopted financial policies that amended those that had been adopted in October 2009. When the Board adopted the revised financial policies in July, 2011 the policy section related to Tribal Transit grants was still in review and discussion by the Tribal Subcommittee. The Tribal Subcommittee and the Finance Subcommittee have now completed their review of the proposed amendments and have recommended adoption by the Board. In addition at the July 15, 2011 meeting the NMDOT had recommended some revised language for Section 2 (A) which has now been incorporated in the document.

Attached for the Board's review is the revised District's Financial Policies. The document is being presented in legislative form so that the Board can easily discern the modified sections.

SUPPORT INFORMATION:

1. Proposed Modified Financial Policies (attached)
2. Resolution 2011-10

OPTIONS / ALTERNATIVES:

The Board may determine to take no action on this matter and retain the existing financial policies or selectively only adopt certain sections of the revised policies as presented.

~~NORTH CENTRAL REGIONAL TRANSIT DISTRICT~~

~~FINANCIAL POLICIES~~

NORTH CENTRAL REGIONAL TRANSIT DISTRICT	
SUBJECT: Financial Policies	NUMBER: Fin - 01
EFFECTIVE DATE: JULY 15, 2011	Policies Adopted by Board of Directors at July 15, 2011 Board Meeting
AMENDS/SUPERSEDES: NA	APPROVED: ANTHONY J. MORTILLARO, INTERIM EXECUTIVE DIRECTOR

Purpose

The Financial Policies described herein are designed to provide a comprehensive framework for the management of financial resources for the North Central Regional Transit District (NCRTD). They provide guidelines for decision making by the NCRTD Board and management on how financial resources shall be utilized to fulfill the mission of the transit system, meet obligations and protect the public interest.

Objectives:

- Cost effective allocation and use of NCRTD financial resources in achieving the Districts mission.
- Compliance with applicable Federal and State laws, regulations and guidelines governing transit funding.
- Use of sound business and accounting practices in managing NCRTD financial affairs.
- Consistent financial practices, operational efficiencies and best practices.

1. **Budgetary Policies**

The adopted budget represents the ongoing commitment of the management and staff to operate and maintain the NCRTD in a fiscally sound manner according to the guidelines, policies and direction set forth herein. The Budget spans a fiscal year (beginning July 1 and ending June 30) and contains operating and non-operating revenues and expenses, grants, capital expenditures and reserves for the District. The budget is an appropriation document that gives the District the authority to spend funds for operating expenses, other expenditures such as contracts and capital and reserves.

Each year, the District staff will develop a budget plan that will lead to the Board's review and adoption of the subsequent year's budget. The timing of this process will be consistent with the established strategy and priorities at the District and with statutory requirements.

The District will also prepare a ten-year Long Term Financial plan for the purpose of identifying future financial challenges. It will be updated annually concurrent with the development of the annual budget.

A budget calendar for the fiscal year is to be established to make clear deliverables and deadlines.

Each year the District will establish a budget by:

- Providing a comprehensive review of the Districts sources and uses of funds for operating and capital expenditures.
- Tailoring the budget process into an effective management tool for setting financial priorities and meeting strategic objectives.
- Ensuring that the budget manages financial resources in a manner that:
    - Is prudent and sustainable
    - Meets financial requirements of medium and long-term capital needs
- Producing budget information that is:
    - Clear, comprehensible and transparent to employees and constituencies
    - Accurate, timely, and easy to access
- Monitoring and analyzing revenues and expenditures throughout the fiscal year for compliance and accountability.
- A quarterly cash and investment report and monthly one-year cash flow forecast report will be prepared.
- Current appropriations for all funds are limited to the sum available, unrestricted cash balances and revenues estimated to be received in the current budget year.
- All District divisions will operate within the adopted budget. From time to time, the District will consider spending requests for new or expanded programs during the course of the fiscal year and, to the extent possible, such increases to current operations will be funded by reoccurring current revenues unless the request is for a one time activity that does not require an ongoing funding allocation. On

occasion, there may be a need for Board action to draw funds from the Districts un-appropriated balance in order to meet unforeseen financial requirements.

- Capital assets owned by the District shall be maintained on a regular schedule. The District will recognize the impact of wear and tear of existing capital assets in the operating budget. Maintenance costs will be indentified and incorporated into the annual operating budget as necessary. These costs include items such as renovations, maintenance and service contracts.
- District funds will be reconciled at the close of the fiscal year to determine the available cash balance at year end.
- Reports to the Board shall include Fiscal Impact discussions as to how they may affect the budget plus the estimated cost and benefit of the program or service in the current and future years.

Budgetary Control:

Budget control is maintained at the departmental/divisional level. The Executive Director has the authority to approve appropriation transfers between programs, divisions or departments. In no case may total expenditures adopted for the fiscal year exceed that which is appropriated by the District Board without budget amendment.

2. Operating Program:

The District utilizes a general operating fund, which will be used to account for all financial transactions required for the current operation of the public transportation system. The two primary components of this fund are:

A. Operating Income (Income Sources)

- Operating income includes revenues derived from the Regional Transit Gross Receipts Transit tax (RT GRT), operating and capital assistance (federal and state funds), passenger fares, contractual reimbursements or contributions, interest income, and other miscellaneous sources of revenue.
  - For all federal transit grants awarded from New Mexico Department of Transportation (NMDOT), adherence to financial rules, regulations, and reporting will be complied with by NCRTD as per the New Mexico State Management Plan for the Administration of Federal Transit Grants, the annual Federal Transit Administration (FTA) Certifications and Assurances, and any subgrantee federal funding contract/memorandum of agreement with NMDOT.
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- The District will continuously seek new revenues and will, to the extent consistent with its public transit objectives, pursue a diverse revenue base in an effort to

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maintain a stable revenue stream. Seeking revenue diversity will help shelter the District from short-term fluctuations in any one revenue source.

- Revenues from the RT GRT are tracked in a line item dedicated to that purpose. According to the ballot initiative that created the RT GRT, the funds are to be used to expand regional public transit in the four-county area. The District interprets this to mean that RT GRT funds should be used to implement approved service plans per Board adopted resolutions. Approved service plans may include, but are not limited to, establishing entirely new regional routes; increasing the frequency of service on existing routes; purchasing more and larger vehicles so more riders may avail themselves of public transit; converting pilot projects to regular services; and coordinating with other service providers, such as Santa Fe Trails, the Taos Chili Line, Atomic City Transit, the Rail Runner, and Park & Ride to improve services and strive to provide a seamless transit experience to those in Districts service area.

  The following definition has been adopted by the Board and will be utilized to ascertain whether a proposed regional route is eligible to be funded by RT GRT:

  1. It connects to a service that leaves the district such as the Rail Runner or Park & Ride; or
  2. It crosses a jurisdictional line between Members;
  3. It connects two or more Members;
  4. It is solely within a single Member's local area but directly connects both in time and location with a service or route that makes possible travel outside the local area to another Member's area;
  5. It connects two distinct and separate communities within one Member's area such as Questa and Red River in Taos County or Los Alamos and White Rock in Los Alamos County;
  6. The Board of Directors will annually review all service plans within the region in order to determine regional routes by the qualification stated above. The board will have the ability to add or eliminate routes based on criteria for efficiency within the District.

Place Holder for when the Board adopts a methodology for the allocation of RT GRT

RT GRT revenue that is deemed to be reoccurring revenue and not allocated for regional routes is placed in the operating reserve balance and as such maybe be available for allocation in the following year for expanded service regional routes as recommended by the Executive Director and adopted by the Board on the bases of the methodology for the allocation of RT GRT as described above. Prior to commitment of any remaining RT GRT reserve operating balance in the ensuing fiscal year to expanded regional service routes, these routes must be included in the requesting entities annual service plan and adopted by the NCRTD Board as well. In no event will these funds be allocated for new

or expanded service regional routes if it will result in the diminishment of the reserve operating balance requirements as described within these policies or if it will impact the Districts ability to meet its capital equipment and infrastructure requirements.

The District is responsible for seeing that RT GRT funds are spent appropriately. For those entities operating their own transit services an invoice shall be submitted quarterly to the District requesting reimbursement of funds spent in accordance with RT GRT funded service plans and adopted methodology. Invoices shall contain sufficient line-item detail to support the appropriateness of the expenditure and concurrence with the intended use of the funds. Upon receipt and review of the invoice, the District will reimburse the entity, provided sufficient RT GRT funds have been received.

In reference to Tribal Transit Funds if awarded by the Federal Transit Administration (FTA) to a Tribal Entity, the Tribal Entity maintains the authority to 1) utilize all Tribal Transit Funds received for Tribal Transit / Transportation Initiatives; 2) allocate through an agreement a portion of Tribal Transit Funds to the NCRTD; 3) allocate through an agreement all Tribal Transit Funds received to the NCRTD.

1) Tribe utilizes all FTA Tribal Transit Funds for Tribal Transit / Transportation Initiatives.
    a. No Agreement with the NCRTD.

2) Tribe allocates through an agreement a portion of FTA Tribal Transit Funds to the NCRTD. The process for managing these funds includes the following steps:
    a. Tribe determines a need for additional services requiring a portion of Tribal Transit funds be allocated through an agreement to the NCRTD to provide contracted transit services.
    b. The NCRTD will assess the additional services requested by the Tribe and provide the Tribe with a Scope of Work, Budget & Budget Narrative.
    c. The Tribe will review and make any necessary changes to documents and return to NCRTD for review and re-submittal.
    d. Upon agreement of transit services to be contracted to the NCRTD, the Tribe and NCRTD will sign a Professional Services Contract detailing agreement between Tribe as the recipient of FTA Tribal Transit Funds and the NCRTD as the sub contractor to include: Scope of Work, Budget, and Budget Narrative.
    e. Contract, Scope of Work, Budget and other Program Information will be entered into the Federal Transit Authority's (FTA) TEAM web system by the Tribe or authorized NCRTD personnel if stated in agreement.
    f. Reports: Quarterly Financial, Monthly Progress, Monthly Ridership Reports are submitted to the FTA / FederalReporting.gov / TEAM web portal and will be completed by Tribe or authorized NCRTD personnel. Copies of all reports will be sent to Tribe for record keeping if the NCRTD personnel perform the reporting requirements.
    g. Any changes or modifications to the Scope of Work, Budget, and Budget Narrative must be approved and documented by the Tribe prior to NCRTD

changing services or requesting reimbursement or payment for services provided under agreement.

h. The NCRTD will advances funds to cover operating costs of contracted transit services.
i. NCRTD will submit a detailed "Invoice" of work, services performed and provided to the Tribe per Scope of Work and Agreement for approval and processing.
j. Tribe will approve "Invoice" of work and services performed and provided by the NCRTD and request a drawdown from the FTA.
k. Upon receipt of funds from the FTA, the Tribe within 7 days will process payment to the NCRTD.
l. The Tribe and the NCRTD will meet periodically to evaluate the effectiveness of the services being provided, available budget, and discuss any necessary changes.

3) Tribe allocates through an agreement all FTA Tribal Transit Funds received to the NCRTD for the provision of contract transit services. The process for managing these funds includes the following steps:
   a. Tribe determines a need to allocate through an agreement all FTA Tribal Transit funds to the NCRTD for the provision of FTA funded contractual transit services to be continued.
   b. The NCRTD and the Tribe will assess current FTA funded services being provided to the Tribe and provide the Tribe with a Scope of Work, Budget and Budget Narrative of the FTA funded current services and how these funds will be utilized to continue transit services.
   c. The Tribe will review and make any necessary changes to documents and return them to the NCRTD for review and re-submittal.
   d. Upon agreement of transit services to be contracted to the NCRTD, the Tribe and NCRTD will sign a Professional Services Contract detailing agreement between Tribe as the recipient of FTA Tribal Transit Funds and the NCRTD as the sub contractor to include: Scope of Work, Budget, and Budget Narrative.
   e. Contract, Scope of Work, Budget and other Program Information will be entered into the Federal Transit Administration's (FTA) TEAM web system by the Tribe or authorized NCRTD personnel if stated in agreement.
   f. Reports: Quarterly Financial, Monthly Progress, Monthly Ridership Reports are submitted to the FTA / FederalReporting.gov / TEAM web portal and will be completed by Tribe or authorized NCRTD personnel. Copies of all reports will be sent to Tribe for record keeping if the NCRTD personnel perform the reporting requirements.
   g. Any changes or modifications to the Scope of Work, Budget, and Budget Narrative must be approved and documented by the Tribe prior to the NCRTD changing services or requesting reimbursement or payment for services provided under agreement.
   h. The NCRTD will advances funds to cover operating costs of contracted transit services.

i. NCRTD will submit a detailed "Invoice" of work, services performed and provided to the Tribe per Scope of Work and Agreement for approval and processing.

j. Tribe will approve "Invoice" of work and services performed and provided by the NCRTD and request a drawdown from the FTA.

k. Upon receipt of funds from the FTA, the Tribe within 7 days will process payment to the NCRTD.

l. The Tribe and the NCRTD will meet periodically to evaluate the effectiveness of the services being provided, available budget, and discuss any necessary changes.

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Application Process:

1) When requested by Tribe, the NCRTD will assist with the Grant Application to include a set percentage (5%) for Administrative costs. If the Grant is awarded the Tribal Transit Funds Policy will be utilized to manage these funds.

2) The NCRTD, if requested and there is a signed agreement by all the Tribe's, will submit a Joint Application on behalf of the Tribe's in agreement. Prior to submittal of Joint Application, the Tribes will review and approve the Application, Scope of Work, Budget, and Budget Narrative being submitted on their behalf. If the Grant is awarded the Tribal Transit Funds Policy will be utilized to manage these funds.

3) The Tribe's on their own behalf may apply for Tribal Transit Funds. If the Grant is awarded the Tribal Transit Funds Policy will be utilized to manage these funds.

~~• Tribal Transit Funds. When requested, the District provides administrative services to manage Federal Tribal Transit funds awarded to tribal entities within its service area. The District provides detailed budgets for these programs and as practical, handles all administrative responsibilities with respect to the (Federal Transit Administration) FTA. These budgets are not included in the District's consolidated budget since these funds are not awarded directly to the District but to the named Tribal Entities. The District's relationship with the Pueblos with respect to these funds is contractual, as a provider of services. The District assesses an administrative fee and includes this as a line item in the budget. These funds do not require a local match.~~

~~Tribal Transit funds are managed as follows:~~

~~1. The tribal governments fill out and sign the necessary paperwork (including a Designation of Signature Authority and other related paperwork) that grants District personnel access to their grant-related records, including the Transportation Award Management System (TEAM) and ECHO.~~

2. ~~Working with the tribal entities, District staff assist in developing a service plan and an operating budget, including an agreed upon percentage for Administrative costs.~~
3. ~~District personnel enter the budgets and other project information into the FTA's TEAM system and work with FTA personnel to shepherd the application through the FTA approval process.~~
4. ~~The District may advance funds to cover operating costs.~~
5. ~~District personnel prepare monthly reports detailing expenditures for tribal routes.~~
6. ~~Included in this report is a line item called an Administrative Fee which is intended to defray the District's costs of administrating these programs.~~
7. ~~Using this information, either District staff enter the draw-down request into the ECHO payment system and send a copy of the report and the ECHO request to the relevant tribal entity, or Tribal personnel may perform this function, depending on FTA requirements and the wishes of Tribal authorities.~~
8. ~~When the ECHO deposit is made in the tribal entity's bank account (usually two or three days after the request is submitted) the tribal entity issues a check to reimburse the NCRTD for the funds it has advanced to pay for the month's services.~~
9. ~~NCRTD and tribal staff meet periodically to evaluate the effectiveness of the services being provided and the status of their budgets, making changes to each as necessary.~~

B. Operating Expenses

Operating expenses are defined as the day-to-day costs incurred for public transit delivery, administrative overhead, and other common and normal expenses.

C. Operating Balance (difference between operating income and operating expenses)

The operating balance is utilized to fund the capital program and reserve requirements.

D. Administrative Overhead Costs

Direct and Indirect costs that are incurred for common or joint purposes in support of transit service or capital programs. Costs are allocated to programs based on allocation methods which comply with Federal and State guidelines.

3. Reserve Policy

This Financial Reserve Policy contains polices that govern the management of the District's financial reserves in order to:

- Maintain access to capital markets and other sources of capital funding at the most efficient cost of funds for the District;

- Manage financial risks prudently by maintaining required and additional financial reserves to meet the Districts financial needs;
- Meet New Mexico State Department of Finance and Administration (DFA) requirements for minimum reserve balance requirements and any Board requirements;
- Meet or exceed all debt coverage requirements, if any; and
- Establish prudent levels of liquidity.

The District will maintain at all times one month of operating revenue as a cash reserve to meet its DFA requirements.

The District will seek to maintain at all times an amount equaling 25% of its operating revenue as a cash reserve which is inclusive of the DFA requirement.

4. <u>Capital Program</u>

The NCRTD Capital Investment Plan (CIP) shall describe capital expenditures to be incurred to meet capital needs arising from long-term plans, asset maintenance or other capital needs. It sets forth each project in which the NCRTD will be involved and specifies the resources estimated to be available or required to finance the projected expenditures. The Executive Director shall submit to the NCRTD Board a proposed Capital Investment Plan prior to or in conjunction with the annual proposed budget. The Board shall approve the CIP no later than June 1 of each year. In the event that this date falls on a weekend, the preceding Friday shall prevail.

A. The Executive Director reviews all District capital projects to be recommended for inclusion in the CIP subject to the oversight and approval of the Board. In this capacity the Executive Director or a designee will:

   a. Affirm the linkage between proposed Capital Projects and the Districts strategic goals and objectives;
   b. Asses the linkage between the capital and operating budgets to ensure appropriate allocation of resources;
   c. Reaffirm the validity of a proposed CIP for annual approval by the District Board;
   d. Provide discipline and enforcement to the approved CIP;
   e. Monitor the progress of Capital Projects. Major changes in project scope or direction shall be presented to the Board for approval;
   f. Review the qualitative and quantitative (including financial analysis) evaluation of Capital Projects to determine the priority of projects;
   g. Review, assess and approve or deny the placement of proposed Capital Projects on the CIP;

h. Review CIP policies and procedures periodically and implementing changes as necessary;
i. Provide a mechanism for financial and resource planning for the District;
j. Authorize total project cost and fiscal year cost allocation changes.

B. The CIP is a planning document only. Any appropriations for specific project must be approved by the Board during the annual budget process.

C. The Districts CIP either creates a new asset or significantly extends the life of an existing asset.

D. Large Capital equipment purchases may be included in the CIP.

E. The Districts Capital Program will be used to account for the planning/design, acquisition, construction and reconstruction/rehabilitation of major capital facilities and equipment. It may include Federal and State grants as well as local funds to be used for capital acquisition and construction with and without benefit of grant funding including transfers from the Annual Operating Reserve Balance, project-related reimbursements, debt financing or other sources of capital funding.

F. Capital Expenditures are defined as expenditures incurred to meet capital needs arising from the District CIP, asset capital maintenance or other capital needs.

G. Capital Expenditure

a) Items/acquisitions that have a useful life in excess of one year and an acquisition cost of greater than or equal to $5,000.

b) Direct and eligible indirect costs, which are related and add value to a capital project, shall also be defined as capital expenditures.

H. Capital Performance Policy Objectives

a. The NCRTD will seek to obtain maximum Federal and State financing by pursing all appropriate funding available for public transportation systems.

b. A portion of the annual CIP will be allocated to the proper maintenance of the Districts capital assets including regular replacement of the fleet and equipment and the rehabilitation or replacement of facilities.

I. Capital Investment Plan Funding

Funding of the CIP will endeavor to fund capital needs from a combination of sources including:

- Pay-as-you–Go (cash funded, PAYGO)
- Grants from Federal/State/Other Sources
- Debt Financing and special loans

The CIP funding strategy will emphasize the use of PAYGO as a means to meet transit funding requirements with debt used as a secondary source. The level of PAYGO funding will be dependent on a number of factors including availability of funds from the RT GRT and other sources, the appropriate levels of retained fund balances, economic and other factors.

5. Debt Policy

The purpose of the Debt Policy is to establish guidelines for the issuance and management of the Districts debt. The District has the ability to issue debt under its statutory authority. This Debt Policy confirms the commitment of the Board, management, staff, advisors and other decision makers to adhere to sound financial management practices, including full and timely repayment of all borrowings, and achieving an appropriate level of capital within prudent risk parameters. The following objectives of the Debt Policy include the following:

- Obtain and maintain a high credit rating;
- Provide for an efficient overall cost of borrowing for the District;
- Provide specific guidelines with respect to the overall management of debt if incurred;
- Set forth a process for selecting various consultants who will assist the District in the issuance and management of the Districts debt;
- Support for the District's strategic plan objectives;

This Debt Policy shall govern the issuance and management of all debt and lease financings (excludes small item leasing such as copiers, etc...) funded from the capital markets, and shall include all obligations including investment of bond proceeds.

While adherence to this Debt Policy is required in applicable circumstances, the District recognized that changes in capital markets and unforeseen circumstances may produce situations that are not covered by the Debt Policy or require modifications or exceptions to achieve Debt Policy goals. In these cases, specific authorization from the Board is necessary to provide management appropriate flexibility. However, long term debt will be used on an as needed basis to fund the Districts capital investment needs.

The Debt Policy requires that each debt be specifically authorized by the District Board.

Debt Financing:

i. Principal maturity for debt will be linked to asset life and will not exceed thirty (30) years.
ii. Variable rate or other short term maturing debt maybe issued for capital purposes in anticipation of receipt of approved Federal and/or State grants, with the goal of repaying a portion or all of the debt issued upon receipt of funds.
iii. Issuance of debt must be linked to:
    1. Adequate encumbrance capacity to let contracts for the entire capital program in the most effective sequence.
    2. Cash flow requirements.
    3. Fund balance to guard against anticipated/unanticipated risks
iv. RT GRT will be used for the payment of annual debt service costs.
v. Debt will not be used for annual operating costs.

Lease Financing:

Lease obligations are a routine and appropriate means of financing capital equipment. These types of obligations maybe considered for equipment and assets that are not financed as a cost item under normal operating expenditures. The useful life of the equipment, the terms and conditions of the lease, and the direct impact on debt capacity and budget flexibility will be evaluated prior to the implementation of a lease program. Efforts will be made to fund capital equipment with a pay-as-you-go financing where feasible. Cash flow sufficiency, capital program requirements, lease program structures and cast and market factors will be considered in conjunction with a pay-as-you-go strategy in lieu of financing. Short-term equipment leases that do not access the capital markets are not covered by this policy.

Debt Service Coverage Ratios:

Debt Service coverage ratios establish a guideline for levels of annual operating costs relative to current and future debt service costs. This performance objective for Net debt service coverage is that the Operating Balance shall be greater than 1.25 times the annual debt service cost; however, the actual terms and conditions specific to each bond issue are controlled by the bond documents.

The net debt service coverage ratio is calculated as follows:

i. Operating income less operating expense equals the operating balance
ii. Operating balance divided by the annual debt service costs equals net debt service coverage ratio

The performance objective for Gross debt service coverage ratio (i.e. annual regional transit gross receipts tax/annual cumulative debt service cost) shall be maintained at a minimum of 3.0 times.

The maintenance of a debt service coverage ratio together with other performance measures provides multiple measures for the financial soundness of the NCRTD.

Refunding Bonds:

A present value analysis must be prepared that identifies the economic effects of any refunding to be proposed to the Board. It is acknowledged that some refunding may be executed for other than economic purposes, such as to restructure debt, change the type of debt instruments being used, or to retire a bond issue and indenture in order to achieve more desirable covenants. Approval by the Board is required for any refunding.

Method of Bond Sale:

The District will generally utilize a competitive sale process when complex bond structuring and marketing requirements are not an issue and the perceived pricing differential between competitive and negotiated sale is negligible. There are three potential methods of sale: competitive, negotiated, and private placement. Each type of bond sale has the potential to provide the lowest cost given the right conditions. The conditions under which each type of bond sale is best used are provided below. All or some of the conditions discussed will affect the method of sale.

A. Competitive Sale

1. Bond prices are stable and/or demand is strong.
2. Issuer has a strong credit rating.
3. Issuer is well known to investors.
4. There are no complex explanations required during marketing, regarding: issuer's projects, media coverage, political structure, political support, funding, or credit quality.
5. The bond type and structural features are conventional.
6. Bond insurance is included or pre-qualified (available).
7. Manageable transaction size.
8. Market timing and interest rate sensitivity are not critical to the pricing.

B. Negotiated Sale

1. Bond prices are volatile and/or demand is weak or supply of competing bonds is high.

2. Market timing is important, such as for refunding.
3. Coordination of multiple components of the financing is required.
4. Issuer has lower or weakening credit rating.
5. Issuer is not well known to investors.
6. Sale and marketing of the bonds will require complex explanations about the issuer's projects, media coverage, political structure, political support, funding, or credit quality.
7. The bond type and/or structural features are non-standard, such as for a forward bond sale, issuance of variable rate bonds or where there is use of derivative products.
8. Bond insurance is not available or not offered.
9. Early structuring and market participation by underwriters desired.
10. Pre-qualified underwriter's pool.
11. Large transaction size.
12. Expected high retail demand.

C. Private Placement

A Private Placement is a sale that is structured specifically for one purchaser such as a bank. The District reserves the right to privately place its securities if the need arises. Furthermore, any member of the active underwriting pool who presents the District with a cost savings financing plan, will be awarded to manage the financing/restructuring transaction.

Bond Consultants:

The District will select its financial advisors and its bond counsel by competitive process through a Request for Proposals (RFP). The District's contracting policies, which are in effect at the time, will apply to all contracts with finance professionals. Selection may be based on a best value approach for professional services or the lowest responsive cost effective bid based upon pre-determined criteria.

All financial advisors, bond counsel and underwriters will be selected through a Request for Proposals (RFP) or Request for Qualifications (RFQ) process, whichever is most appropriate given the circumstances. In isolated instances, such contracts may be awarded on a sole source basis if it is clear that a RFP/RFQ process would not be feasible or in the District's interests.

Financial Advisors:

The District may retain one or more financial advisory firms to provide general advice on the District's debt management program, financial condition, budget options, arbitrage rebate review, and rating agency relations. Additionally, a

financial advisor may assist with the structuring of the District's Revenue Bond issuances and may be used on an as-needed basis to provide financial advisory services that do not fall into the other categories of District debt obligations.

Financing Teams:

Financial advisors, bond counsel, and underwriters, where applicable, will be selected through a competitive process. Depending on particular expertise and consultant availability, some firms may be used on more than one program. However, efforts will be made to establish different teams to provide a number of firms the opportunity to participate in District contracts.

Bond Counsel:

The District debt will include a written opinion by legal counsel affirming that the District is authorized to issue the proposed debt, that the District has met all constitutional and statutory requirements necessary for issuance, and a determination of the proposed debt's federal and state income tax status. An appropriately experienced bond counsel firm (or firms) will prepare this approving opinion and other documents relating to the issuance of debt with extensive experience in public finance.

Disclosure Counsel:

The District will hire Disclosure Counsel(s) to prepare official statements in the event of any debt restructuring/refinancing or new bond issue. Disclosure Counsel(s) will be responsible for ensuring that the official statement complies with all applicable rules, regulations and guidelines. Disclosure Counsel(s) will be a well recognized firm(s) with extensive experience in public finance.

Disclosure by Financing Team Members:

The District expects that all of its financial advisory team will at all times provide the District with objective advice and analysis, maintain the confidentiality of the financial plans if required, and be free from any conflicts of interest. All financing team members will be required to provide full and complete disclosure, under penalty of perjury, relative to any and all agreements with other financing team members and outside parties that could compromise any firm's ability to provide independent advice that is solely in the best interests of the District or that could be perceived as a conflict of interest. The extent of disclosure may vary depending on the nature of the transaction.

Note: The aforementioned financial performance measures are established as policy objectives for the District management to strive to achieve in managing the

affairs of the District and may be temporarily suspended, modified or amended upon management review and Board approval.

6. Investment Policy

It is the policy of the NCRTD to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state statutes governing the investment of public funds.

Delegation of Authority

Responsibility for the management of the District's investment portfolio is delegated to the Districts Finance Manager by the Executive Director. The District's Finance Manager will establish and maintain written procedures for the operation of the cash management and investment program consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Manager.

Prudent Person Rule

Investments on behalf of the District will be made in accordance with the "prudent person" rule; i.e. investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Scope of Policy

Unless otherwise noted, this investment policy will apply in its entirety to all monies of the District over which it has direct control as well as those funds that the District is responsible for as custodian and/or trustee.

Investment Objectives

The District seeks to balance three primary objectives for its cash portfolio:

- Maintaining sufficient liquidity to meet financial obligations;
- Earning a market rate of return (subject to permitted investment constraints); and
- Diversifying investments among asset classes to ensure safety of principal.

The liquidity goal is achieved by matching investment maturities with the expected timing of obligations. Attainment of a market return is measured by benchmarking the portfolio against a relevant market index. Diversification (safety) is accomplished through implementation of a strategic asset allocation, derived from modern portfolio theory concepts.

Performance Standards

The Districts' objective is to obtain a market average rate of return throughout budgetary and economic cycles that corresponds with invest risk constraints and cash flow needs.

The Districts investment strategy is passive. Given this strategy, the Finance Manager shall determine whether market yields are being achieved by comparing the average District portfolio yield to the 90 day U.S. Treasury Bill or the treasury security that most closely matches the duration of the portfolio.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and officials who are involved in investing public funds or have the authority to decide how public funds are invested shall disclose to the District Board any material financial interests in financial institutions that conduct business within the Districts jurisdiction, and they shall further disclose the conduct of personal business with, receipt of pecuniary benefit from, or financial interest they have in any entities in which investments are being made.

1. Permitted Investments (any investment not mentioned herein is prohibited)

    i. Direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by , the United States of America or certificates or receipts established by the United States government or its agencies or instrumentalities representing direct ownership of future interest or principal payments on direction obligations of, or obligations fully guaranteed by, the United States of America or any of its agencies or instrumentalities, the obligations of which are backed by the full faith and credit of the United States.
    ii. Accounts, certificates of deposit and time deposits with banks and savings banks located in the District's service area provided that the collateral securing the investment permitted by this paragraph, are secured by the FDIC.
    iii. Bonds or securities of the State of New Mexico or of any agency or political subdivision or school district thereof which has a taxable valuation of real property for the last year of at least one million dollars and has not defaulted

in the payment of interest or sinking fund obligation or failed to pay any bonds at maturity at any time within five years preceding the date of investment.

iv. The "short-term investment fund" described in Section 6-10-10.I N.M.S. A. 1978 or other similar pooled funds maintained by the State of New Mexico for the investment of public funds of the local public bodies of the state.

v. Shares of pooled investment funds managed by the state investment officer, as provided in Subsection (G) of Section 6-7-8 NMSA 1978.

vi. Any other investment permitted at the time of the investment by a statue of the State of New Mexico for public entities.

2. Funds available for investment for more than one year, including monies appropriated to permanent and irrevocable trust funds may be invested as provided in Section 6-10-10.G NMSA 1978. The Investment Officer shall conduct a thorough investigation prior to investing in any pool or fund and on a continuing basis once an investment is made. Information gathered will include a written statement of policy and objectives, eligible securities, interest calculation and distribution, securities settlement and safekeeping, handling gains/losses, audit opinions, and fee schedules and statements.

3. Collateralization

New Mexico state law require that all certificates of deposit, money market, checking accounts, and any other investments not backed by the full faith and credit of the United States Government, other than investments in the New Mexico State Investment Council long-term investment funds, be secured by pledged collateral of at least 50 percent of the current market value. This collateral will be pledged in the name of the District and held by a third party institution, Federal Reserve Bank, or by a trust institution within the same bank as approved by the Financial Manager. The institution will issue safekeeping receipts to the District for securities held by a third party. The District will require that at all times; pledged collateral will be equal to, or greater than, 50 percent of the current market value of the Districts' applicable investments.

4. Selection of appropriate Investments

i. Individual investments are selected to meet anticipated cash flow requirements and provide adequate liquidity. Within this cash flow perspective, the investment manager will select those securities that will best meet the District's overall portfolio strategy.

ii. Criteria for selecting investments and the order of priority are:

1. Safety. The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts.

The objective is to select only those investments that seek to ensure the preservation of capital in the overall portfolio and to mitigate credit risk and market risk.

2. Liquidity. This refers to the ability to "cash in" at any moment in time with a minimal chance of losing principal or interest. Liquidity is an important investment quality, especially when the need for unexpected funds occurs. The objective is to remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated within one hundred and eighty (180) days.

3. Yield. Yield is the potential dollar earnings an investment can provide, also referred to as the rate of return. The objective is to attain a rate of return that equals or exceeds the yield for the three month treasury bill.

5. Diversification

The District will diversify its use of investment instruments to eliminate nonsystematic risk. Strategic and tactical asset allocations shall be determined and revised periodically. In establishing asset allocations strategies, the following general policies and constraints shall apply: Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity range. With the exception of U. S. Treasury securities and authorized pools, no more than 50% of the total investment portfolio will be invested in a single sector or with a single financial institution or in a single maturity range. Maturities selected shall provide for stability of income and reasonable liquidity.

1. Liquidity shall be assured through practices ensuring that the next disbursement date and payroll date are covered through maturing investments.
2. Interest rate risk shall be controlled through duration management such that overall portfolio duration is set to a target based on existing market interest rates and rate expectations.

Selection of Brokers/Dealers

The Financial Manager shall develop and maintain a list of banks and securities dealers approved for securities transactions initiated by the district, and it shall be the policy of the District to purchase securities only from those authorized firms. To be eligible, a firm must meet at least one of the following criteria:

1. Be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a Primary Dealer within its holding company structure,
2. Report voluntarily to the Federal Reserve Bank of New York,
3. Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

The Finance Manager will select broker/dealers on the basis of their expertise in public investing and their ability to provide service to the Districts account. Each authorized broker/dealer shall be required to submit and annually update a District approved Broker/Dealer Information Request form that includes the firm's most recent financial statements.

Approved broker/dealers shall attest in writing that they have received and read this Policy.

Safekeeping and Transaction Settlement

The Financial Manager shall approve one or more financial institutions to provide securities safekeeping services for the District. All investment securities purchased by the District will be held in third-party safekeeping by the District's safekeeping agent. The District's safekeeping agent will be required to furnish the District a list of holdings on at least a monthly basis. The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. Ownership of all securities shall be perfected in the name of the District. Sufficient evidence to title shall be consistent with modern investment, banking, and commercial practices.

Competitive Transactions

Securities purchases and sales will be executed after obtaining at least two competitive bids or offerings whenever feasible. If the District is offered a security for which competitive offerings cannot be obtained, quotations for comparable securities will be documented

7. Risk Management Policy

The District is to be protected to a prudent extent against liability or loss, which could significantly affect personnel, property, finances or the ability of the District to continue to fulfill its responsibilities as a regional transit entity. This is to be accomplished through the continuous identification, analysis, and control of risk exposures, the determination of the best methods of preventing or limiting losses and the section of the most economical method of insurance or other means.

Policy

I. After identification of loss potential and development of loss prevention programs, the mitigation of the financial impact of loss, as it may occur, shall be based on the most economical method of providing funds to meet the obligations of the District and to restore its facilities and/or equipment.

II. Risk management techniques shall include:

   a. Assumption of loss

   b. Use of available government programs

   c. Purchase of insurance

   d. Any other program that will provide the District with the most economical method of financing losses

III. The purchase of insurance shall be considered when:

   a. The estimate of the cost of potential loss exceeds an amount considered as an allowable retention of risk and there are no other techniques available at a lesser cost

   b. Services of loss adjustment and loss prevention are best secured through an insured program

   c. Legal or contractual obligations require insurance

8. <u>Periodic Review and Amendment</u>

The Financial Policies delineated herein shall be subject to review and revision by the District at least every three (3) years. This does not preclude the District from revising specific policies included herein nor from adding policies should the District determine that the best interest of the public and/or NCRTD would be served by making such a revision.

Amendments or revision to these financial policies may be initiated or proposed by any member of the District Board or by the Executive Director of the NCRTD.
Proposed amendments or revisions to these Financial Policies shall be first presented to and reviewed by the Board's Finance and Consolidation Subcommittee. The Subcommittee shall make a recommendation on any proposed amendment or revision to the District Board.

The District Board must approve any amendment or revision by majority vote before said amendment or revision shall become official policy of the NCRTD.

9. Management Reporting Requirements

The Executive Director will provide the District Board with an annual report on the Districts actual versus budget performance at the end of the fiscal year once the books have closed.

North Central Regional Transit District (NCRTD)
Resolution 2011–10

A RESOLUTION ADOPTING AMENDED FINANCIAL POLICIES

WHEREAS, the Board of Directors is the governing body in and for the NCRTD and finds it in the best interest of the constituents of the NCRTD to establish polices to ensure the financial stability of the District; and

WHEREAS, the current NCRTD Financial Policies were adopted on October 9, 2009 and amended on July 15, 2011; and

WHEREAS, the Finance Subcommittee has reviewed these policies and presented them to the Board for their consideration; and

WHEREAS, the Board, after thorough consideration and upon recommendation of the Finance Subcommittee, the Tribal Subcommittee and the NCRTD Staff, find that it is prudent to amend the adopted Financial Policies.

NOW THEREFORE BE IT RESOLVED BY THE NCRTD BOARD THAT THE ATTACHED FINANCIAL POLICIES SHALL BE AND ARE HEREBY ADOPTED, AMENDING THE CURRENT NCRTD FINANCIAL POLICIES, APPROVED AND ADOPTED THIS 4TH DAY OF NOVEMBER 2011.

_____
Rosemary Romero, Chair

Approved as to form:

_____
Peter Dwyer, Counsel

Board Action and Executive Summary

Item # C

For Meeting of November 4, 2011

TITLE: **Authorization for Executive Director to Purchase and Expend funds from State of Good Repair Grant**

PURPOSE(S) OF ACTION: **To authorize Executive Director to expend the State of Good Repair Grant as budgeted in FY12 for Buses.**

Name of Drafter:		**Department:**		**Phone:**	
Department	**Signature**	**Phone**	**Department**	**Signature**	**Phone**
Staff Sponsor			Budget		
Legal			Executive Director		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

In FY11 the District was awarded a State of Good Repair Grant from NMDOT in the amount of $790,062. This is an 80/20 grant provided on a reimbursable basis.

Due to the timing of the grant the District was not able to budget this in FY11. In FY12 the District presented its budget and this $790,062 was incorporated therein as an expenditure in FY12.

According to the NCRTD Board of Directors Bylaws any expenses over $100,000 must be approved by the Board of Directors. Staff is requesting that the Board authorize the Executive Director to expend these funds as budgeted and for the acquisition of buses as provided for in the grant award.

Most of the buses will be in the $68,000 to $75,000 dollar range each, but could total more than the $100,000 when ordered at various times depending on the number purchased or invoiced at that time. The procurement of these buses is through the State's "State Wide Price Agreements for Roberts Truck Center" and only covers certain types of buses. We also utilize a GSA contract with National Bus Sales for the other types of buses purchased.

Following are the Purchase Orders and as such you can ascertain why the request for the Board.

1. PO 5732 to National Bus Sales for – 2 (28 passenger) buses at $107,767 each
2. PO 5733 to National Bus Sales for – 5 (13 passenger) buses at $68,848 each
3. PO 5734 to National Bus Sales for – 1 (18 passenger) bus at $77,987 each
4. PO 5731 to Roberts Truck Center for – Ford E350 Braun/Para transit at $132,408 each.

The District is then billed by the vendor by individual bus as the invoice has the VIN number whether they are shipped individually or collectively.

SUPPORT INFORMATION:

NA

OPTIONS / ALTERNATIVES:

1. Authorize the purchase and expenditure as requested.
2. Require staff to bring back each purchase in excess of $100,000 for individual authorization. Such an action due to the timing of Board meetings may result in the District not meeting its requirement for the timely expenditure of these funds.

Board Action and Executive Summary

Item # D Resolution # 2011-11

For Meeting of November 4, 2011

TITLE: Approval of Resolution 2011-11: Authorization for NCRTD Vehicle Disposal

PURPOSE(S) OF ACTION: To approve the disposal of NCRTD Surplus Vans/Buses in a Web-Based Public Surplus Auction.

Name of Drafter: Gus Martinez, Fleet Manager		**Department: Operations**		**Phone: 505-999-0316**	
Department	**Signature**	**Phone**	**Department**	**Signature**	**Phone**
Staff Sponsor			Budget		
Legal			Executive Director		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The North Central Regional Transit District's (NCRTD) Fleet Manager recently completed a Fleet Replacement Analysis of the NCRTD Fleet utilizing the NMDOT's Transit Bus/Van Replacement Criteria. It was determined that eleven (11) units meet the criteria and are recommended for disposal upon approval. The units have had 75% or more historical repair costs of their respective purchase price. These units were used to provide transportation services in the following routes: Velarde, West Side, Eldorado, Questa, Espanola to Santa Fe, San Ildefonso, Chama and Demand Response. Staff is proposing to utilize a WEB based Public Surplus Auction approved by State Purchasing similar to EBAY. Currently, there are several other NM Public Entities (Los Alamos County, Bernalillo County, others) utilizing this disposal method and are experiencing a significant increase in revenues using a WEB based Surplus Auction as opposed to the Public Auction. This process will also save the NCRTD from having to pay

commission fees and the buyer is responsible for picking up the vehicle at its current location. Commissions are based on the selling price and then added to the selling price. The buyer pays for all commission fees. These Vans/Buses can not be donated to other public entities based on N.M. State Statute, Anti-Donation Clause.

Recommendation:

Staff recommends approval of the listed fleet for disposal and utilization of the WEB based Public Surplus Auction.

SUPPORT INFORMATION:

1. NCRTD Fleet Inventory List (Attachment A)
2. Resolution 2011-11

OPTIONS / ALTERNATIVES:

1. Approve the staff recommendation.
2. Return to a non-WEB based auction disposal method.

ATTACHMENT A

RTD

.2011 DISPOSAL PRIORITY LIST

QTY.	UNIT #	PLATE #	VIN NUMBER	MAKE	MODEL	PASS #	CONFIG	YEAR	MILEAGE	JUSTIF CODE
1	T-506	G-42696	2B6LB31Z8XK577166	DODGE/BRAUN	B-350	10	EXTD VAN	1999	214,947	A, B, C
2	T-509	G-78681	2B4JB25Y51K533242	DODGE/BRAUN	B-250	8	VAN	2001	213,742	A, B, C
3	T-511	G-64858	2B5WB35Z61K555167	DODGE/BRAUN	B-350	10	VAN	2001	228,756	A, B, C
4	T-521	G-71610	1FDWE35L97DB26498	FORD/GOSHEN	E-350	12	CUTAWAY	2007	142,143	A, B, C
5	T-524	G-75417	1GBDV13W17D190620	CHEVY/BRAUN	UPLANDER	6	MINI VAN	2007	152,879	A, B, C
6	T-513	G-82702	1FDWE35L16DA40455	FORD/STARTRANS	E-350	12	CUTAWAY	2006	108,933	A, B, C
7	T-514	G-82703	1FDWE35LX6DA40454	FORD/STARTRANS	E-350	12	CUTAWAY	2006	108,835	A, B, C
8	T-515	G-82701	1FDWE35L36DA40456	FORD/STARTRANS	E-350	12	CUTAWAY	2006	121,906	A, B, C
9	T-517	G-75416	1FTSS34L17DB41364	FORD/BRAUN	E350	8	EXTD VAN	2007	134,351	A, B, C
10	T-522	G-82884	1FDWE35L37DB26495	FORD/GOSHEN	E-350	12	CUTAWAY	2007	100,857	A, B, C
11	T-523	G-82883	1FDWE35L07DB32495	FORD/GOSHEN	E-350	12	CUTAWAY	2007	101,567	A, B, C
12	T-516	G-75415	1FDWE35L27DB21675	FORD/STARTRANS	E-350	12	CUTAWAY	2007	95,245	A, C

JUSTIFICATION CODES

A=MEETS OR EXCEEDS NMDOT REPLACEMENT AGE CRITERIA
B=MEETS OR EXCEEDS NMDOT REPLACEMENT MILEAGE CRITERIA
C=EXCESSIVE REPAIR COSTS EXCEEDING 75% OF PURCHASE PRICE TO DATE AND/OR IN NEED OF MAJOR REPAIRS

NMDOT REPLACEMENT CRITERIA

VANS/CUTAWAYS 4 YEARS OR 100,000 MILES
SMALL BUSES (18-24) PASSENGERS 5-7 YEARS OR 150,000 MILES
LARGE BUSES (40+) PASSENGERS 9 YEARS OR 200,000 MILES

North Central Regional Transit District (NCRTD)
Resolution 2011–11

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXERCISE THE SALE AND DISPOSAL OF SURPLUS NCRTD VEHICLES BY ELECTRONIC AUCTION

WHEREAS, the NCRTD was created through legislative enactment (NMSA 1978, Section 73-25-1 et seq.); and

WHEREAS, the NCRTD is a sub-division of the State of New Mexico; and

WHEREAS, the NCRTD was approved and certified by the New Mexico Department of Transportation on the 14th day of September 2004; and

WHEREAS, the NCRTD is entering its 5th year of providing public transit services in North Central New Mexico and there are vehicles in its fleet that are beyond their useful life and in need of disposal; and

WHEREAS, the staff of the NCRTD is requesting Board approval to dispose of 12 vehicles.

NOW, THEREFORE, BE IT RESOLVED by the NCRTD Board of Directors that the NCRTD Executive Director is authorized to dispose of surplus vehicles in accordance with the rules and regulations stipulated by the Federal Transit Administration and the New Mexico Department of Transportation and applicable rules and regulations governing assets and disposal of said assets. The description of the vehicles to be disposed of by electronic auction is shown in Exhibit A to this resolution, incorporated herein by this reference.

PASSED, APPROVED AND ADOPTED BY THE GOVERNING BODY OF THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT ON THIS 4TH DAY OF NOVEMBER 2011.

_____
Rosemary Romero, Chair

Approved as to form:

_____
Peter Dwyer, Counsel

Board Action and Executive Summary

Item # E Resolution# 2011-12

For Meeting of November 4, 2011

TITLE: Approval of Resolution 2011-12, Repealing Resolution 2008-08 and Approving a Revised NCRTD Drug and Alcohol Policy

PURPOSE(S) OF ACTION: NCRTD staff is seeking Board consideration and approval for an updated Drug and Alcohol Policy in order to reflect current practice, to modify language for accuracy and clarity, and to include changes to guidelines. This updated policy is required by the Department of Transportation (DOT).

Name of Drafter: Michelle Jacquez, Operations Analyst		**Department: Operations**		**Phone: 505-747-3631**	
Department	**Signature**	**Phone**	**Department**	**Signature**	**Phone**
Staff Sponsor			Budget		
Legal			Executive Director		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The Federal Transit Administration (FTA) published on changes to 49CFR, Part 40 & 655 which governs the NCRTD Drug & Alcohol Testing Procedures. As a result, the NCRTD must now amend its policy and procedures to reflect those changes and to remain in compliance with our state/federal contracts.

Briefly, some of the changes are:

- Provisions for the testing of the drug Ecstasy in addition to marijuana, cocaine, amphetamines, opiates, and phencyclidines (PCP)
- New lowered detection levels

Additional changes to the policy are highlighted.

Recommendation:

It is recommended that the revised Drug and Alcohol Policy be adopted as presented in order to maintain NCRTD compliance with DOT/FTA regulations.

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount

1. NCRTD Revised Drug & Alcohol Policy (Attached)
2. Resolution 2011-12

OPTIONS / ALTERNATIVES:

- Adopt the policy as presented.
- Do not adopt the policy as presented.
- Adopt the policy with Board's amendments.

North Central Regional Transit District
FTA Drug and Alcohol Testing Policy
(Zero Tolerance)
(Revision Date: July 13, 2011)

I. Introduction

The North Central Regional Transit District is dedicated to providing friendly, safe, dependable and economical transportation services to our transit system passengers. The North Central Regional Transit District is concerned about the effects of the use of illegal drugs, controlled substances and abuse of alcohol upon the health and safety of its employees and passengers. To address these concerns, it is our policy (1) to ensure that employees are not impaired in their ability to perform assigned duties in a safe, productive and healthy manner; (2) to create a workplace environment free from the adverse effects of drug abuse and alcohol misuse; (3) to prohibit the unlawful manufacture, distribution, dispensing, possession or use of controlled substances; and (4) to encourage employees to seek professional assistance anytime personal problems, including alcohol or drug dependency, adversely affect their ability to perform assigned duties.

II. Purpose

The purpose of this policy is to assure worker's fitness for duty and to protect employees, passengers, and the public from the risks posed by the misuse of alcohol and use of prohibited drugs. This policy is intended to comply with all applicable Federal regulations governing workplace anti-drug programs in the transit industry. The Federal Transit Administration (FTA) of the U.S. Department of Transportation (DOT) has enacted 49 CFR Part 655, as amended, that mandates urine drug testing and breath alcohol testing for safety-sensitive positions and prevents performance of safety-sensitive functions when there is a positive test result or a refusal to test. The U.S. DOT has enacted CFR 49 Part 40, as amended, that sets standards for the collection, testing and reporting of urine and breath specimens. Part 40 also mandates specific protocols used by the Medical Review Officer (MRO), Substance Abuse Professional (SAP), Collector, Breath Alcohol Technician (BAT) and Third Party Administrator/Consortium (TPA). The sections of this policy that reflect Parts 655 and 40 will be indicated by the use of **Bold Typeface**. In addition, the Federal Government has enacted 49 CFR part 29, "The Drug-Free Workplace Act" policies and the reporting of certain drug-related offenses to the FTA. These sections will appear in the policy in Italic Typeface. This policy also incorporates company (agency) requirements under the authority of the North Central Regional Transit District's policy on the use of alcohol and drugs in the workplace. Anything appearing in the policy in regular typeface will be under the company's own authority. **This policy will be kept current with all the latest federal regulations and interpretations as mandated.**

Comment [M1]: NCRTD's

III. Applicability

This Policy applies to all NCRTD employees; paid part-time employees; Contract employees and contractors when performing any NCRTD safety-sensitive duties or when they are on NCRTD property. This policy applies to off-site lunch periods or breaks when an employee is

Comment [M2]: NORTH CENTRAL REGIONAL TRANSIT DISTRICT

scheduled to return to work. Visitors, vendors, and contract employees are governed by this policy while on transit premises and will not be permitted to conduct transit business if found to be in violation of this policy.

A safety-sensitive function is defined as any duty related to the safe operation of mass transit service including the operation of a revenue service vehicle (whether or not the vehicle is in revenue service), controlling the dispatch or movement and maintenance of revenue vehicle or equipment used in revenue service (maintenance functions include the repair, overhaul and rebuild of engines, vehicles and/or equipment used in revenue service), security personnel who carry firearms, and any other employee or volunteer who perform duties requiring a CDL and/or performs a safety sensitive function and receives remuneration in excess of their actual expenses. Supervisors performing any of the above described functions are considered to be safety-sensitive employees.

Participation in the Substance Abuse Program as stated in this policy is a condition of employment. The North Central Regional Transit District has a "Zero Tolerance Policy" which means that any safety sensitive employee who violates this policy by having a confirmed positive drug or alcohol test result or refuses to be tested when required, will be terminated.

All positions were reviewed for safety-sensitive duties to determine the safety-sensitive positions. Additionally, any new positions created in the future will be reviewed for safety sensitive duties. A full listing of such employee positions is located on Attachment B of this policy.

The FTA anti-drug rule preempts any state or local law, rule, regulation, or order to the extent that: (a) compliance with both the state or local requirement and any requirement in this part is not possible, or (b) compliance with the state or local requirement is an obstacle to the accomplishment and execution of any requirement in this part.

IV. Prohibited Substances

Prohibited substances addressed by this policy include the following:

A. Illegally Used Controlled Substance or Drugs

Any illegal drug or any substance identified in Schedules I through V of Section 202 of the Controlled Substance Act (21 U.S.C. 812), and as further defined by 21 CFR 1300.11 through 1300.15. This includes, but is not limited to: marijuana, amphetamines, opiates, phencyclidine (PCP), and cocaine, as well as any drugs not approved for medical use by the U. S. Drug Enforcement Administration or the US Food and Drug Administration. Illegal use includes use of any illegal drug, misuse or legally prescribed drugs, and use of illegally obtained prescription drugs. **Safety sensitive employees will be tested for marijuana, cocaine, amphetamines, opiates, and phencyclidine.** Use of any products that may result in a positive drug test (hemp oil for example) is prohibited by the Federal Guidelines.

Comment [M3]: THIS PARAGRAPH NEEDS TO BE ITALIC

B. Legal Drugs

The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, the use of any substance which carries a warning label or that indicates that mental functioning, motor skills, or judgment may be adversely affected should be reported to supervisory personnel. The employee is required to provide a written release from his/her doctor or pharmacist indicating that the employee can perform safety-sensitive functions. When possible, alternative substances should be requested from the prescribing physician. It is the employee's responsibility to inform the physician the nature of employee's job duties.

Any failure to report the use of such drugs or failure to provide proper evidence of medical authorization may result in disciplinary action.

A legally prescribed drug means that an individual has a prescription or other written approval from a physician for the use of a drug in the course of medical treatment. It must include the patient's name, the name of the substance, quantity/amount to be taken and the period of authorization. The misuse or abuse of legal drugs while performing transit business is prohibited.

C. Alcohol

The use of beverages containing alcohol or other products containing alcohol including, medication, mouthwash, food, candy, or any other substance, which causes alcohol to be present in the body at a rate of 0.02% alcohol concentration or greater, while performing safety sensitive duties or while on-call to perform a safety sensitive duty, is prohibited

V. Prohibited Conduct

A. Manufacture, Trafficking, Ingestion, and Use

Any employee engaging in the manufacture, distribution, dispensing, possession or use of prohibited substances on North Central Regional Transit District premises, in public transit vehicles, in uniform or while on business related to a public transportation system operated under a contract with the North Central Regional Transit District will be subject to disciplinary action up to and including termination. Ingestion of stated drugs is prohibited at all times. Law enforcement shall be notified, as appropriate, where criminal activity is suspected.

Notification of Criminal Drug Conviction

All employees are required to notify the transit system of any criminal drug statute conviction for a violation occurring in the workplace within five days after such conviction. Failure to comply with this provision shall result in disciplinary action, up to and including termination. Any safety sensitive employee must also report any circumstances where there was a criminal conviction or

loss of driving privileges due to drug or alcohol misuse within 5 days of such conviction or loss of privileges.

B. Intoxication/Under the Influence

Any safety-sensitive employee who is reasonably suspected of being intoxicated, impaired, under the influence of a prohibited substance, or not fit for duty shall be suspended from job duties pending an investigation and verification of condition. Employees found to be under the influence of prohibited substances or who fail to pass a drug or alcohol test shall be removed from duty. In addition to being removed from duty, such employees will receive educational and rehabilitative information and a referral to a Substance Abuse Professional (SAP) and terminated from his/her position consistent with the North Central Regional Transit District's Zero Tolerance Policy.

A drug or alcohol test is considered positive if the individual is found to have a quantifiable presence of a prohibited substance in the body above the minimum thresholds defined in 49 CFR Part 40, as amended (see Section VI of this policy for threshold definitions).

C. Alcohol Use and Prohibition

No safety-sensitive employee should report for duty or remain on duty when his/her ability to perform assigned functions is adversely affected by alcohol or when his/her alcohol concentration is 0.02 or greater. Part 655 permits alcohol testing just before, during and just following the performance of a safety sensitive duty, the North Central Regional Transit District under its own authority also prohibits the consumption of alcohol at all times the employee is on duty. No safety-sensitive employee shall use alcohol while performing safety-sensitive functions, or 4 hours before, just after performing a safety-sensitive function or while on call. No safety-sensitive employee shall use alcohol for 8 hours after a reportable accident or until the employee has undergone a required post accident alcohol test, which ever is first.

If the North Central Regional Transit District has actual knowledge of the use of alcohol while the employee is performing safety-sensitive functions, the employee will not be permitted to continue to perform the safety sensitive duty.

D. Compliance with Testing Requirements

All safety-sensitive employees will be subject to urine drug test and breath alcohol testing a condition of their employment. Refusal of a drug and/or alcohol test will be treated as a verified positive test result.

Refusals:

Refusals can include a variety of behaviors, including:

- verbal or written refusal
- physical absence
- an inability to provide a urine specimen or breath sample without a valid medical explanation
- failure to undergo a medical evaluation or an observed collection when required
- obstructive behavior
- failure to provide a urine sample
- not reporting to the collection site in the time allotted (except in the case of pre-employment)
- not remaining at the collection site until the completion of the process ~ failure to sign step 2 of the alcohol test form
- failure to permit monitoring or direct observation when appropriate
- leaving the scene of an accident prior to submitting to a post-accident test when required
- failure to take a second test as directed by the collector or employer
- having an adulterated or substituted test result verified by an

()

Observed Samples:

Any safety-sensitive employee who is suspected of falsifying test results through tampering, contamination, adulteration, or substitution will be required to undergo an observed collection. The observation will be done by a person of the same gender.

Drug tests can be performed any time a safety-sensitive employee is on duty. An alcohol test can be performed anytime the covered employee is performing a safety sensitive duty or just before, or just after the performance of a safety sensitive duty. Under the authority of the North Central Regional Transit District the use of or influence of alcohol on a covered employee anytime that employee is on duty is prohibited.

E. Consequences of a Positive Drug and/or Alcohol Test or a Refusal to Test

A violation of this policy in the form of a verified positive drug result, a confirmed alcohol result of 0.04 RAC or greater, or a refusal to test will result in the immediate removal of the covered employee from any safety sensitive duties, referral to a SAP and under the North Central Regional Transit District's authority, termination of employment.

VI. Testing for Prohibited Substances

Analytical urine drug testing and breath testing (saliva testing optional for screening) for alcohol may be conducted when circumstances warrant and as required by Federal

Comment [M4]: NEED TO ADD: MRO

Comment [M5]: THESE ADDITIONAL BULLETS NEED TO BE ADDED:
- employee admitting to the collector or MRO that he/she adulterated or substituted their specimen
- employee behaves in a confrontational way that disrupts the collection process
- employee fails to follow the observer's instructions to raise or lower their clothing and to turn around to permit the observer to determine if the employee has a prosthetic or other device that could be used to interfere with the collection process
- The employee possesses or wears a prosthetic or other device that could be used to interfere with the collection process
- The employee refuses to wash his or her hands after being directed to do so
- (A refusal to test will be treated the same as a positive test result)

Comment [M6]: THIS PARAGRAPH WILL BE DELETED, AND THE FOLLOWING LANGUAGE WILL BE ADDED:
The observation will be done by a person of the same gender in the following circumstances:
- All return to duty tests (second chance policy only, does not apply to NCRTD)
- All follow up tests (second chance policy only, does not apply to NCRTD)
- Any time the specimen collected is out of temperature range (90 degrees Farienheit – 100 degrees)
- Anytime the employee is directed to provide another specimen because the original specimen appeared to have been tampered with
- Anytime a collector observes materials brought to the collection site or employee's conduct clearly indicates an attempt to tamper with a specimen.
- Anytime the employee is directed to provide another specimen because the Laboratory reported to the MRO that the original specimen was invalid without a valid medical reason
- Anytime the employee is directed to provide another specimen because the MRO determined that the original specimen was positive, adulterated or substituted but had to be cancelled due to the test of the split specimen could not be performed.

All provisions set forth in bold face print are included consistent with requirements specifically set forth in 49 CFR Part 655, or Part 40, as amended. Provisions set forth in the Drug-Free Workplace Act (49 CFR Part 29) are delineated in italics. All other provisions are set forth under the authority of the transit system.

regulations. Testing shall be conducted in a manner to assure a high degree of accuracy and reliability, using techniques, equipment, and laboratory facilities which have been approved by the U.S. Department of Health and Human

Services (DHHS). All testing will be conducted in accordance to the procedures in 49 CFR Part 40, as amended. This will ensure the test results are attributed to the correct employee by following procedures including, picture identification of the employee, the use of the Federal Drug Custody and Control Form with unique specimen identification number completed by a trained collection site person who insures that the Custody and Control Form is completed correctly and signed and certified by the donor, collection of Split Sample specimens that are sealed and initialed by the donor.

Drugs:

An employee may be tested for the following prohibited substances anytime while on duty. The drugs that will be tested for include marijuana, cocaine, opiates, amphetamins, and phencyclidine. An initial drug screen, called an immunoassay test, will be conducted on each urine specimen. For those specimens that are not negative, a confirmatory Gas Chromatography/Mass Spectrometry (GC/MS) test will be performed. The test will be considered positive if the amounts of the metabolites present are above the minimum thresholds established in 49 CFR Part 40, as amended. The following is a chart of the current cut-off levels.

Comment [M7]: THIS SENTENCE & CHART NEED TO BE REMOVED.

DRUG NAME - METABOLITE	SCREENING CUT -OFF	CONFIRMATION CUT-OFF
Marijuana - Delta 9 THC	50 ng/ml	15ng/ml
Cocaine - Benzoylecgonine	300ng/ml	150 ng/ml
Opiates - Morphine/Codeine	2000 ng/ml	2000 ng/ml
PCP - Phencyclidine	25ng/ml	25 ng/ml
Amphetamines	1000 ng/ml	500 ng/ml

In instances where there is a reason to believe an employee is abusing a substance other than the five drugs listed above, the North Central Regional Transit District reserves the right to request a separate sample and to test for additional drugs under the North Central Regional Transit District's own authority using standard laboratory testing protocols and a non-federal custody and control form The Company also reserves the right to require a fitness-for-duty examination by a licensed physician when an employee's observable behavior and actions are considered to be inconsistent with a safe, drug free workplace.

Comment [M9]: ADD THE FEDERAL REGISTER REFERENCE: Defined by the 49 CFR part 40.

Comment [M10]: THIS IS REMOVED

Alcohol:

Tests confirming alcohol concentration will be conducted utilizing a National Highway Traffic Safety Administration (NHTSA) approved Evidential Breath Test (EBT) device operated by a trained Breath Alcohol Technician (BAT). If the initial test indicated an alcohol concentration of 0.02 or greater, a second test will be performed to confirm the results of the initial test. A safety-sensitive employee who has a confirmed alcohol concentration of 0.02 or greater but less than 0.04 will result in removal from his/her position for eight hours unless a retest results in a concentration measure of less than 0.02.

An alcohol concentration of 0.04 or greater will be considered a positive alcohol test and in violation of this policy.

MRO:

All test results from the laboratory will be reported to a Medical Review Officer (MRO). An MRO is a licensed physician who is certified as an MRO, with detailed knowledge of a substance abuse disorders and drug testing and meets the standards defined in 49 CFR part40. The MRO will review the test results to ensure the scientific validity of the test and to determine whether there is a legitimate alternative medical explanation for a confirmed positive result. The MRO will contact the employee, notify the employee of the positive laboratory result, and provide the employee with an opportunity to explain the confirmed test result. The MRO will subsequently review the employee's medical history/medical records to determine whether there is a legitimate medical explanation for a positive laboratory result. If no legitimate medical explanation is found, the test will be verified positive and reported to the Designated Employer Representative. If a legitimate explanation is found, the MRO will report the test result as negative. The MRO may also cancel results that are troubled according to the protocol set froth in 49CFR part 40. The MRO will also inform the employee whose result is positive from the laboratory of his/her rights to have the split sample analyzed at a second SAMHSA laboratory. See part E - Employee Requested Testing.

All employees/applicants/ with a dilute negative test result will be required to retest. The second test result will stand as the test of record.

Comment [M11]: THIS LANGUAGE NEEDS TO BE ADDED: and no additional testing will be required unless directed to do so by the MRO. A dilute positive result is treated the same as any other positive drug test result.

Testing Procedures:

A copy of 49CFR part 40 as amended, is available for review for complete and detailed laboratory, collection, MRO, and SAP procedures. An employee who would like to review 49 CFR parts 40 and 655 may request a copy from the Designated Employer Representative (DER).

VII. Testing Events:

A. Pre-Employment / Reclassification Testing

All safety-sensitive applicants shall undergo urine drug testing prior to performing safety sensitive duties. This requirement also affects employees not in safety-sensitive positions who seek reclassification into a safety - sensitive position. Receipt by the North Central Regional Transit District of a negative test result is required prior to performing safety sensitive duties in a covered position. A cancelled test result is not acceptable and must be retaken. Hiring into a safety-sensitive position will be completed within one (1) month of a successful pre-employment/reclassification test. If the applicant has a positive pre-employment drug test, he/she cannot be hired for a safety sensitive position.

If a current covered employee has not performed a safety sensitive duty for 90 days or longer, and has been removed from the random pool, the employee must submit to a new pre-employment test and receive a negative result before resuming safety-sensitive duties.

An MRO may report negative pre-employment test results for individuals who are unable to provide sufficient volume due to permanent disability, but has a medical evaluation that indicates no chemical evidence of illegal drug use.

All applicants for safety-sensitive positions will be notified in writing that they will be required to undergo pre-employment/reclassification drug testing prior to their employment or performance of any safety sensitive duties and that they will be subject to drug and alcohol testing throughout the period of their employment and The North Central Regional Transit District will retain on the drug test results of all new hires.

When a covered employee or applicant has previously failed a pre-employment drug test, the employee must present to the employer proof of successfully having completed a referral, evaluation and treatment plan as described in Sec. 655.62

B. Reasonable Suspicion Testing

All safety-sensitive employees may be subject to a fitness for duty evaluation, to include appropriate urine and/or breath testing when there are reasons to believe that drug or alcohol use is adversely affecting job performance. The North Central Regional Transit District reserves the right to refer an employee to a physician for a fitness for duty examination when the employee's observable behavior and reactions are considered inconsistent to a safe and drug-free workplace.

Comment [M12]: THIS LANGUAGE NEEDS TO BE DELETED.

A reasonable suspicion referral for testing, as specified by Part 655, will be made on the basis of documented objective facts and circumstances which are consistent with the long or short-term effects of substance abuse. Reasonable suspicion testing can be done if the observation is made for suspicion of drug use at anytime the employee is on duty however, alcohol testing must be done during, just preceding, or immediately following the performance of a safety sensitive function

Reasonable suspicion determinations will be made by one (or more) supervisor(s), in function rather than by title, who has been trained to detect the signs and symptoms of drug and alcohol use and who reasonably concludes that an employee may be adversely affected or impaired in his/her work performance due to prohibited substance abuse or misuse. Criteria for reasonable suspicion testing included specific, contemporaneous, and articulable observations concerning appearance, behavior, speech, or body odors of the covered employee consistent with possible drug or alcohol misuse. Written documentation shall be required for any reasonable suspicion testing. Only trained supervisors who directly observe said reasonably

suspicious behavior have justification for requiring reasonable suspicion testing. When a determination has been made for reasonable suspicion testing, the employee will be transported immediately by the supervisor to the collection site. Alcohol tests delayed more than two hours must be accompanied with documentation specifying the reason for such a delay. Attempts to collect an alcohol test must conclude after 8 (eight) hours.

C. Post-Accident Testing

Safety-sensitive employees will be required to undergo urine drug and breath alcohol testing if they are involved in an accident with a public transportation system vehicle (regardless of whether or not the vehicle is in revenue service) that results in a fatality. This includes all safety-sensitive employees that are on-duty in the vehicles and any other whose performance could have contributed to the accident, such as surviving operators, dispatchers, maintenance personnel, or other safety sensitive associated employees. Neither a deceased nor an unconscious employee can be tested. Any post-accident testing is stayed while the employee assists in resolution of the accident or receives medical attention following the accident.

In addition, a post-accident test will be conducted in situations where there isn't a fatality but the following occurs, (a) an individual requires immediate transportation to a medical treatment facility (as a result of collision or non-collision), (b) any time one or more vehicles incurs disabling damage that prevents any of the vehicles involved from leaving the scene of the occurrence in their usual manner in daylight after simple repairs, or (c) with respect to an occurrence in which the mass transit vehicle involved is a rail car, trolley car, trolley bus or vessel and the vehicle is removed from operation. In a non-fatal accident as previously described, post-accident testing will be conducted unless the operator's performance (and any other covered employees whose performance could have contributed to the accident) can be completely discounted as a contributing factor to the accident as determined by employer using the best information at the time of the decision.

Following an accident, the safety-sensitive employee will be tested as soon as possible, but not to exceed eight (8) hours for alcohol testing and 32 hours for drug testing. All accidents will have documentation as to whether or not a test was administered and the rationale for such a decision. If there is a delay of greater than 2 (two) hours for an alcohol test, a reason must be given in writing, retained in a file for possible later referral, and the employer must still attempt to administer the alcohol test, however, all attempts must cease after eight hours. Any safety-sensitive employees subject to post-accident testing must refrain from alcohol use for eight (8) hours following the accident or until he/she undergoes a post-accident alcohol test.

Comment [M13]: THIS NEEDS TO BE REMOVED

Safety-sensitive employees subject to post-accident testing must remain readily available for testing and the employer must know the whereabouts of

those employees at all times until post-accident testing has been completed or until the employee has been completely discounted as a contributing factor.

Written rationale and documentation is required when a decision is made not to test an employee in a FTA nonfatal accident. In the rare event that the employee cannot participate in the FTA collection process, following an accident, the employer may accept the results of a test performed by federal, state, or local officials if results are released.

Comment [M14]: THIS NEEDS TO BE INCLUDED TO COINSIDE WITH THE NCRTD SOP (STANDARD OPERATING PROCEDURES): A safety sensitive employee will not be permitted to return to their safety sensitive duties until the DER has received a negative drug & alcohol test results from the MRO.

Procedures will be in place to insure testing can be conducted all hours of operation.

Any safety-sensitive employee who leaves the scene of the accident without justifiable explanation prior to submission to drug and alcohol testing will be considered to have refused the test. In such cases, the employee will be subject to the consequences of a test refusal.
Post accident testing will be stayed while the employee(s) in question receive medical treatment following the accident.

D. Random Testing

FTA regulations require random testing of drugs and alcohol for all safety-sensitive employees. Random testing serves as a deterrent against employee beginning or continuing drug use or alcohol misuse. All employees in safety-sensitive positions will be subjected to random, unannounced testing. The selection of safety-sensitive employees for random drug and/or alcohol testing will be made using a scientifically valid method that ensures each covered employee will have an equal chance of being selected each time selections are made and there will be no discretion of the managers as to the selections made. All safety-sensitive employees remain in the selection pool even after being selected for testing thus, employees may be selected more than once a year. The tests are conducted throughout the year in an unpredictable pattern. The random number selection process is conducted in strict confidence to ensure no employee is forewarned and that testing is unannounced. A limited number of individuals will have knowledge of the random selections to insure confidentiality and the integrity of the testing process.

The random testing period begins in January 2008. The random tests will be spread throughout the draw period and all shifts that safety-sensitive duties are performed. Federal Alcohol testing can only be performed just before, during, or just after the performance of a safety-sensitive job function, while drug tests can be conducted at any time during an employee's shift (i.e. beginning, middle, end). Employees are required to proceed immediately to the collection site upon notification of their random selection.

Only US DOT safety-sensitive employees are included in the random pool. In

the event the Designated Employer Representative (DER) is selected for random testing, a secondary contact will notify the DER to report to the collection site for random testing. All safety-sensitive employees shall be notified discreetly to immediately report to the collection site.

The North Central Regional Transit District retains records of the date and time of notification that a safety-sensitive employee has been selected and the results of those tests. All information is confidential.

As a member of the New Mexico Department of Transportation Consortium, T he North Central Regional Transit District shall, during the course of a year, participate in the random testing program to assist in insuring a minimum of 25 percent of USDOT safety-sensitive employees are tested for drug use and a minimum of 10 percent of USDOT safety-sensitive employees are tested for alcohol abuse as part of the goal of the Consortium Pool. This reflects the current random rate. The rates are subject to annual revision based on the FT A regulations. Any changes in the random rate will be reflected in an attachment to this policy.

Comment [M15]: NEEDS TO READ : the minimum....

Comment [M16]: NEEDS TO READ AS FOLLOWS: rate defined by Federal Transit Administration

Comment [M17]: TO READ: drugs

Comment [M18]: TO BE REMOVED

Comment [M19]: NEED TO ADD : use.

Comment [M20]: THIS LANGUAGE NEEDS TO BE REMOVED

Comment [M21]: NEEDS LANGUAGE NEED TO READ AS FOLLOWS: The testing rate performed by the Consortium will always meet the minimum rate set by 49CFR part 655.

E. Employee Requested Testing

Any safety-sensitive employee who questions the results of a required drug test may request the MRO to forward the split sample to a different DHHS certified laboratory for analysis. The test must be conducted on the split sample that was provided by the employee at the same time as the original sample. Payment for testing of the split specimen is the responsibility of the employee, unless the result of the split sample test invalidates the result of the original test. Testing will not be denied if the employee cannot pay. The North Central Regional Transit District will ensure that the costs for the split specimen are covered in order to complete a timely analysis, however, the North Central Regional Transit District will seek reimbursement for the split analysis from the employee. The final split specimen result goes to the employer.

The method of collecting, storing, and testing the split sample will be consistent with the procedures set forth in 49 CFR Part 40, as amended. The employee's request for split sample testing must be made to the Medical Review Officer within 72 hours of notice of the original sample verified test result. The MRO must direct the laboratory in writing to send the split sample with appropriate copies of the chain of custody form and a copy of the MRO's request for testing to another DHHS certified laboratory. Requests after 72 hours will only be accepted if the delay was due to documented facts that were beyond the control of the employee.

VIII. Employee Assessment

Comment [M22]: THIS HEADING NEEDS TO BE CHANGED TO : Consequences of a Positive Test Result or a Refusal Test

Any safety-sensitive employee or applicant who tests positive for the presence of illegal drugs and/or alcohol above the minimum thresholds set forth in 49 CFR Part 40, as amended, or has refused to submit to a drug or alcohol test (except in the case of and applicant) will be referred to a Substance Abuse Professional (SAP). An SAP shall be either a licensed physician (Medical Doctor or Doctor of Osteopathy), or a licensed or certified psychologist, social worker, or employee assistance professional with knowledge of and clinical experience in the diagnosis and treatment of drug and alcohol related disorders or an addiction counselor certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission. The SAP will adhere to the procedure and requirements defined in 49CFR part 40.

Comment [M23]: LANGUAGE NEEDS TO BE ADD:
Immediately removed from safety sensitive duties and

The North Central Regional Transit District is not responsible for any costs incurred for the SAP's evaluation, assessment or any treatment recommendation.

IX Voluntary Treatment Requirements (prior to any violation of this policy)

Voluntary requests for treatment must be made prior to any pending drug/alcohol test or disciplinary action. Employees will not be disciplined for requesting treatment, but will be expected to observe job performance standards and work rules as they apply to every employee.

All employees are encouraged to make use of the available resources for treatment for alcohol misuse and illegal drug use problems. Under certain circumstances, employees may be required to undergo treatment for substance abuse or alcohol misuse. Any employee who refuses or fails to comply with The North Central Regional Transit District's requirements for treatment, after care, or return to duty shall be subject to disciplinary action, up to and including termination. The cost of any treatment or rehabilitation services will be paid directly by the employee or their insurance provider. Employees will be allowed to take accumulated sick leave and vacation leave to participate in the prescribed rehabilitation program

XI. Information Disclosure

The North Central Regional Transit District will strictly adhere to all standards of confidentiality and assure all employees that testing records and results will be released only to those authorized by FTA rules to receive such information. All drug and alcohol testing records will be maintained in a secure manner so that disclosure of information to unauthorized persons does not occur. Privacy of each tested employee shall be strictly maintained. Information will only be released in the following circumstances:

1. to a third party only as directed by specific, written instruction of the employee;
2. to the decision-maker in a lawsuit, grievance, or other proceeding initiated by or on the behalf of the employee tested;

3. to a subsequent employer upon receipt of a written request from the employee;
4. to the National Transportation Safety Board during an accident investigation;
5. to the DOT or any DOT agency with regulatory authority over the employer or any of its employees, or to a State oversight agency authorized to oversee rail fixed-guideway systems; or
6. to the employee, upon written request.

Employees have the unqualified right to review their drug and alcohol testing records, to have access to information to dispute the results of any testing outcome, to have access to any pertinent records such as equipment calibration records and records of laboratory certifications.

XII. Employee and Supervisor Training

All safety sensitive employees will undergo a minimum of 60 minutes of training on the signs and symptoms of drug use including the effects and consequences of drug use on personal health, safety, and the work environment. The training must also include manifestations and behavioral cues that may indicate prohibited drug use. The training will be in the context of prohibited drug use in the workplace, the FT A regulations, and The North Central Regional Transit District's substance abuse policy. The training shall also include information concerning the effects of alcohol misuse on the individual's health, work, and personal life, and signs and symptoms of an alcohol problem. Printed literature concerning prohibited drug use and the effects of drugs and alcohol as well as a service hotline for employees experiencing problems with prohibited drugs and alcohol will be made readily available to all safety-sensitive employees.

Supervisors will also receive 60 minutes of reasonable suspicion training on the physical, behavioral, and performance indicators of probable drug use and 60 minutes of additional reasonable suspicion training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse. Training shall be given to all supervisors concerning: (a) their role and responsibility of reasonable suspicion determinations, (b) procedures for initiating, sustaining, and documenting the referral of reasonable suspicions, (c) instructions for employee intervention, and (d) procedures for record keeping/documenting a reasonable suspicion event. Supervisors will not perform supervisory duties that require reasonable suspicion determination prior to completing supervisor training. Training for non-safety-sensitive employee on the importance of maintaining a drug-free workplace shall also be provided.

Handouts are available providing information concerning the effects of drug use and alcohol misuse on the individual's health, work, and personal life and the signs and symptoms of alcohol misuse.

XIII. Employee/Employer Communications

The North Central Regional Transit District's Substance Abuse Policy was originally approved and adopted by it's Board of on September 14, 2007 and became effective immediately. Anytime this policy is substantively amended or updated due to changes in Federal regulations in the future, the policy will contain the date of adoption of the amended policy by the North Central Regional Transit District's Board of Directors and the date the amended policy, or portion thereof, became effective.

This policy and current and future contracts will be modified to stay within required compliance with FTA regulations.

Copies of this policy will be provided to all safety-sensitive employees. A Confirmation of Receipt shall be signed acknowledging that the employee has received the policy and understands that it is the employee's responsibility to abide by the provisions of the policy. Revisions to this policy shall be made aware of to the employee and shall be acknowledged with an updated Confirmation of Receipt. All new hires shall receive the most current policy.

XIII Proper Application of the Policy

Supervisors/managers are required to use and apply all aspects of this policy in an unbiased and impartial manner. Any supervisor/manager who knowingly disregards the requirements of this policy, or who is found to deliberately misuse the policy in regard to subordinates, shall be subject to disciplinary action, up to and including termination.

Comment [M24]: ATTACHMENTS A & B NEED TO BE ADDED, ALONG WITH EMPLOYEE RECEIPT OF DRUG & ALCOHOL POLICY

Attachment A

Systems Contacts

Any questions regarding this policy or any other aspect of The North Central Regional Transit District's drug free and alcohol-free program should contact the following NCRTD's systems representative:

Designated Employer Representative/Program Manager:

Name: Michelle Jacquez

Title : Operations Analyst

Address: 1122 Industrial Park Road

Espanola, New Mexico 87532

Telephone: 505-747-3631

SAMHSA Certified Laboratory

Name: SED Medical Laboratories

Albuquerque, New Mexico

Medical Review Officer

Name : Dr. Paul Teynor /Intermountain MRO

Address: P.O. Box 9800

Salt Lake City, UT 84109

Telephone Number : (801)486-5400

Substance Abuse Professionals

Primary SAP: Adam Stern

Agency:

Address: 1104 Calle del Sol NE

Albuquerque, New Mexico 87106

Telephone Number : 505-232-9368

Collection Sites

Name: **Espanola Sports Medicine**

Contact: Holly Olivas

Address: 706 D La Joya Street

Espanola, New Mexico 87532

Telephone Number: 505-753-6550

Name: **Northern NM Job & Drug Screen**

Contact: Marlene Miera

Address: 414 Sipapu Street

Taos, New Mexico 87571

Telephone Number: 575-758-8761

Name: **SED at Santa Fe**

Contact: Robert Encinas

Address: Plaza Entrada Shopping Center

3005 South St. Francis Drive Suite A

Santa Fe, New Mexico 87505

Telephone Number: 505-989-8538

Attachment B

All positions at _The North Central Regional Transit District were reviewed for safety sensitive duties, as defined in 49 CFR part 655, to determine the safety-sensitive positions. Additionally, any new positions created in the future will be reviewed for safety-sensitive duties. The following positions were determined to be safety-sensitive:

- **Dispatchers**
- **Drivers**
- **Operational Regional Transit Manager**
- **Operation Supervisors**
- **Fleet Maintenance Manager**
- **Office Staff (Anyone who answers the telephone to give route information)**

EMPLOYEE RECEIPT of The North Central Regional Transit District's DRUG AND ALCOHOL TESTING POLICY

Return this completed form to your immediate supervisor

Employee Name_____

I have received and will read The North Central Regional Transit District's Drug and Alcohol Abuse Testing Policy. I understand that I will be held responsible for the content of the policy and I agree to abide by the drug and alcohol testing policy. If I need any clarification or if I have any questions regarding the substance of the policy, I will address them with the NCRTD's program administrator.

This policy adheres to the Federal Transit Administration's mandated regulations for drug and alcohol testing.

Employee Signature:_____

Date Signed:----------

North Central Regional Transit District (NCRTD)
Resolution 2011–12

REVISED DRUG AND ALCOHOL TESTING POLICY

WHEREAS, the North Central Regional Transit District ("District") is concerned about the effects of the use of illegal drugs, controlled substances, and the abuse of alcohol upon the health and safety of its employees and passengers; and,

WHEREAS, to address these concerns, it is our policy to ensure that employees are not impaired in their ability to perform assigned duties in a safe, productive, and healthy manner; and,

WHEREAS, to create a workplace environment free from the adverse effects of drug abuse and alcohol misuse; and,

WHEREAS, to encourage employees to seek professional assistance anytime personal problems, including alcohol or dependency, adversely affect their ability to perform assigned duties; and,

WHEREAS, the Board of Directors adopted an revised policy on May 23, 2008; and,

WHEREAS, this policy is intended to comply with all applicable Federal regulations governing workplace anti-drug programs in the transit industry.

NOW, THEREFORE, BE IT RESOLVED that the North Central Regional Transit District Board of Directors hereby desires to adopt a revised policy as set forth in the attached Exhibit A.

PASSED, APPROVED AND ADOPTED BY THE GOVERNING BODY OF THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT ON THIS 4TH DAY OF NOVEMBER 2011.

_____
Rosemary Romero, Chair

Approved as to form:

_____
Peter Dwyer, Counsel

Board Action and Executive Summary

Item # F Resolution# N/A

For Meeting of November 4, 2011

TITLE: Reduced Rate Charter Service Policy

PURPOSE(S) OF ACTION: At the NCRTD Board of Directors Meeting of July 15, 2011, the Board requested that consideration for reduced rates be given to non-profit organizations.

Name of Drafter: Ivan Guillen		**Department: Operations**		**Phone: 505-747-3631**	
Department	**Signature**	**Phone**	**Department**	**Signature**	**Phone**
Staff Sponsor			Budget		
Legal			Executive Director		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

This item was heard before the Finance Committee on August 26, 2011. At that time we reported that regular charter service requires charging the chartering party for driver's salary/benefits, hourly fuel charge and a 20% administrative fee. The driver's salary and fuel charge are calculated from the time the bus leaves the garage to the time the bus returns to the garage. The administrative fee includes staff time determining the cost, executing the contract and coordinating staff and a small portion for vehicle maintenance. The policy as proposed eliminates the 20% administrative cost which reduces the fare.

Some Board members felt that even with the elimination of the 20% administrative fee, the cost may be too high for some non-profit groups. As a result, it was suggested that bus idle time, if any, not be included in the charter price. Bus idle time has not been eliminated from the policy being presented, however, this is an option that the Board of Directors can consider.

Some Committee members had a concern as to compliance with the NM State Anti-Donation Clause. We have sent the policy to the NCRTD attorney for his review and we will have information regarding this issue at the Board meeting.

The whole issue of charter service, both regular fare and reduced fare, will have to be revisited in the near future, most likely before we move into our new building. Current FTA regulations prohibit chartering service using federally funded Personnel or equipment unless we comply with a myriad of exceptions and reporting requirements. The RTD's current practice is to use equipment and personnel funded only with gross receipts tax for charter services. There may be a problem using even the gross receipts tax funded equipment if it is based at our new facility since that is federally funded. As such, the whole notion of providing charter service will have to be re-examined.

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount

1. NCRTD Draft Reduced Rate Charter Service Policy (Exhibit A)
2. Rate Formula (Exhibit B)

OPTIONS / ALTERNATIVES:

1. Adopt the Reduced Rate Charter Policy as presented;
2. Amend the policy presented if the Board deems changes are necessary; and
3. Reject the policy.

EXHIBIT A
NORTH CENTRAL REGIONAL TRANSIT DISTRICT
REDUCED RATE
CHARTER SERVICE POLICY

The North Central Regional Transit District (NCRTD) will consider reduced rate Charter Service to human service organizations designed to assist senior, youth and disabled groups in the North Central Regional Transit District to attend educational, recreational or cultural events in the District.

NCRTD can provide reduced rate charters to public or private organizations that are exempt from taxation under subsection 501(c)(1), 501(c)(3), 501(c)(4), or 501(c)(19) of the Internal Revenue Code if the organization provides certification of one of the following:

i. (The entity/organization) certifies that it is a government entity or an organization exempt from taxation under subsection 501(c)(1), 501(c)(3), 501(c)(4), or 501(c)(19) of the Internal Revenue Code; there will be a significant number of handicapped persons as passengers on this charter trip; the requested charter trip is consistent with the function and purpose of (the entity/organization); and the charter trip will be organized and operated in compliance with Title VI of the Civil Rights Act of 1964, as amended; and, section 19 of the Federal Mass Transit Act of 1964, as amended, and 49 CFR Part 27; or 45 CFR Part 80.

ii. (The entity/organization) certifies that it is a government entity or an organization exempt from taxation under subsection 501(c)(1), 501(c)(3), 501(c)(4), or 501(c)(19) of the Internal Revenue Code; more than 50% of the passengers on this charter trip will be elderly; the requested charter trip is consistent with the function and purpose of (the entity/organization); and the charter trip will be organized and operated in compliance with Title VI of the Civil Rights Act of 1964, as amended; and, section 19 of the Federal Mass Transit Act of 1964, as amended, and 49 CFR Part 27; or 45 CFR Part 80.

iii. (The entity/organization) certifies that it is a government entity or an organization exempt from taxation under subsection 501(c)(1), 501(c)(3), 501(c)(4), or 501(c)(19) of the Internal Revenue Code; more than 50% of the passengers on this charter trip will be youth (under the age of 18); the requested charter trip is consistent with the function and purpose of (the entity/organization); and the charter trip will be organized and operated in compliance with Title VI of the Civil Rights Act of 1964, as amended; and, section 19 of the Federal Mass Transit Act of 1964, as amended, and 49 CFR Part 27; or 45 CFR Part 80.

If the applicants meet one of the exceptions described above, an authorized agent of the government agency or non-profit organization will need to complete the Charter Exemption Form and provide certification of tax exempt status.

Public, private and charter schools are exempt from receiving reduced rate charter service.

All other provisions of the NCRTD Special Services Policy as adopted on July 15, 2011 will remain in effect during the implementation of this policy.

NORTH CENTRAL REGIONAL TRANSIT DISTRICT
REDUCED RATE CHARTER CERTIFICATION FORM

Please mark the statement that applies to your organization:

_____(The entity/organization) certifies that it is a government entity or an organization exempt from taxation under subsection 501(c)(1), 501(c)(3), 501(c)(4), or 501(c)(19) of the Internal Revenue Code; there will be a significant number of handicapped persons as passengers on this charter trip; the requested charter trip is consistent with the function and purpose of (the entity/organization); and the charter trip will be organized and operated in compliance with Title VI of the Civil Rights Act of 1964, as amended; and, section 19 of the Federal Mass Transit Act of 1964, as amended, and 49 CFR Part 27; or 45 CFR Part 80.

_____(The entity/organization) certifies that it is a government entity or an organization exempt from taxation under subsection 501(c)(1), 501(c)(3), 501(c)(4), or 501(c)(19) of the Internal Revenue Code; more than 50% of the passengers on this charter trip will be elderly; the requested charter trip is consistent with the function and purpose of (the entity/organization); and the charter trip will be organized and operated in compliance with Title VI of the Civil Rights Act of 1964, as amended; and, section 19 of the Federal Mass Transit Act of 1964, as amended, and 49 CFR Part 27; or 45 CFR Part 80.

_____(The entity/organization) certifies that it is a government entity or an organization exempt from taxation under subsection 501(c)(1), 501(c)(3), 501(c)(4), or 501(c)(19) of the Internal Revenue Code; more than 50% of the passengers on this charter trip will be youth (under the age of 18); the requested charter trip is consistent with the function and purpose of (the entity/organization); and the charter trip will be organized and operated in compliance with Title VI of the Civil Rights Act of 1964, as amended; and, section 19 of the Federal Mass Transit Act of 1964, as amended, and 49 CFR Part 27; or 45 CFR Part 80.

I certify that the statement marked above is true about the organization I represent, and that the service requested by the organization represent and will be run in accordance with the above statement.

_____ _____

Signature Date

Please return this form to NCRTD along with certification of tax exempt status.

EXHIBIT B
RATE FORMULA

Driver Cost

Driver's Hourly Rate X 1.5 for overtime or 2.0 for holiday pay X the # of hours the service is needed (out of garage/in to garage) this equals base pay.

A factor of 6.20% is added for Social Security

A factor of 1.45% is added for Medicare

A factor of 9.15% is added for PERA

A factor of 1.666% is added for Retiree Health Care Insurance

A factor of 8.35% is added for Worker's Compensation Insurance

Fuel Costs

Depending on the size of bus being used, an hourly fuel charge is added;

12 passenger cutaway	$23.94 per hour
18 passenger bus	$24.07 per hour
28 passenger bus	$25.00 per hour
32 passenger bus	$25.00 per hour
40 passenger bus	$25.00 per hour

Indirect Costs

Unlike the regular rate charter service, there will be no 20% indirect cost added on to cover administrative costs, insurance and use of the bus. **This omission will result in the reduced rate.**